E/1997/37
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## ECONOMIC COMMISSION FOR AFRICA

# ANNUAL REPORT

## 9 MAY 1996 - 8 MAY 1997

**Economic and Social Council**
**Official Records, 1997**

**Supplement No. 17**

**UNITED NATIONS**

E/1997/37
E/ECA/CM.23/13

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# ABBREVIATIONS AND ACRONYMS

| | |
|---|---|
| **AAF-SAP** | African Alternative Framework to Structural Adjustment Programmes for Socio-economic Recovery and Transformation |
| **AAPAM** | African Association for Public Administration and Management |
| **AATPO** | Association of African Trade Promotion Organizations |
| **AAU** | Association of African Universities |
| **ACARTSOD** | African Centre for Applied Research and Training in Social Development |
| **ACC** | Administrative Committee on Coordination |
| **ACMAD** | African Centre of Meteorological Applications for Development |
| **ACP** | African, Caribbean and Pacific Group |
| **ADB** | African Development Bank |
| **AERC** | African Economic Research Consortium |
| **AFREXIM** | African Export-Import Bank |
| **AIHTTR** | African Institute for Higher Technical Training and Research |
| **AISI** | African Information Society Initiative |
| **AMCEN** | African Ministerial Conference on the Environment |
| **AMU** | Arab Maghreb Union |
| **AOCRS** | African Organization for Cartography and Remote Sensing |
| **ARCC** | Africa Regional Coordinating Committee for the Integration of Women in Development |
| **ARCEDEM** | African Regional Centre for Engineering Design and Manufacturing |
| **ARCT** | African Regional Centre for Technology |
| **ARSO** | African Regional Organization for Standardization |
| **BADEA** | Arab Bank for Economic Development in Africa |
| **CAFRAD** | African Centre for Administrative Training and Research for Development |
| **CAMRDC** | Central African Mineral Resources Development Centre |
| **CAMSDE** | Conference of African Ministers responsible for Sustainable Development and Environment |
| **CEAO** | West African Economic Community |
| **CEPGL** | Economic Community of the Great Lakes Countries |
| **CILSS** | Permanent Inter-State Committee for Drought Control in the Sahel |
| **CODESRIA** | Council for the Development of Economic and Social Research in Africa |
| **COMESA** | Common Market for Eastern and Southern Africa |
| **CPC** | Committee for Programme Coordination |
| **CSO** | Civil society organization |
| **DPCSD** | Department of Policy Coordination and Sustainable Development |
| **ECA** | Economic Commission for Africa |

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| **ECCAS** | Economic Community of Central African States |
| **ECOSOC** | Economic and Social Council of the United Nations |
| **ECOWAS** | Economic Community of West African States |
| **EPZ** | Export processing zone |
| **ESAMI** | Eastern and Southern African Management Institute |
| **ESAMRDC** | Eastern and Southern African Mineral Resources Development Centre |
| **EU** | European Union |
| **FAO** | Food and Agriculture Organization of the United Nations |
| **FDI** | Foreign direct investment |
| **GIIC** | Global Information Infrastructure Commission |
| **GIS** | Geographical information systems |
| **GSP** | Global system of preferences |
| **GTAP** | Global Trade Analysis Project (of Purdue University) |
| **HIPCs** | Highly indebted poor countries |
| **IDDA** | Industrial Development Decade for Africa |
| **IDEP** | African Institute for Economic Development and Planning |
| **IFORD** | Institut de formation et de recherche démographiques |
| **IGOs** | Intergovernmental organizations |
| **ILO** | International Labour Organisation |
| **IMF** | International Monetary Fund |
| **IPC** | Investment Promotion Centre |
| **ITU** | International Telecommunication Union |
| **KBO** | Kagera Basin Organization |
| **LAS** | League of Arab States |
| **LDCs** | Least developed countries |
| **MULPOC** | Multinational Programming and Operational Centre |
| **NGOs** | Non-governmental organizations |
| **NICI** | National Information and Communication Infrastructure |
| **OAU** | Organization of African Unity |
| **ODA** | Official development assistance |
| **OECD** | Organization for Economic Cooperation and Development |
| **RCNYO** | Regional Commissions New York Office |
| **RCSSMRS** | Regional Centre for Services in Surveying, Mapping and Remote Sensing |
| **RECTAS** | Regional Centre for Training in Aerospace Surveys |
| **RIPS** | Regional Institute for Population Studies |
| **RMI** | Road Maintenance Initiative |
| **RTTP** | Rural Travel and Transport Programme |
| **SADC** | Southern African Development Community |
| **SIA** | United Nations System-wide Special Initiative on Africa |
| **SIDS** | Small island developing States |
| **SPA** | Special Programme of Assistance to Africa (of the World Bank) |
| **SRDC** | Subregional Development Centre |

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| **SSTAP** | Sub-Saharan Africa Transport Programme |
| **TEPCOW** | Technical Preparatory Committee of the Whole |
| **UDEAC** | Central African Customs and Economic Union |
| **UNAFRI** | United Nations African Institute for the Prevention of Crime and the Treatment of Offenders |
| **UNCTAD** | United Nations Conference on Trade and Development |
| **UNDP** | United Nations Development Programme |
| **UNEP** | United Nations Environment Programme |
| **UNESCO** | United Nations Educational, Scientific and Cultural Organization |
| **UNFPA** | United Nations Population Fund |
| **UNHCR** | Office of the United Nations High Commissioner for Refugees |
| **UN-IATF** | United Nations Inter-Agency Task Force |
| **UNICEF** | United Nations Children's Fund |
| **UNIDO** | United Nations Industrial Development Organization |
| **UNITAR** | United Nations Institute for Training and Research |
| **UN-NADAF** | United Nations New Agenda for the Development of Africa in the 1990s |
| **UNTACDA** | United Nations Transport and Communications Decade in Africa |
| **UNTFAD** | United Nations Trust Fund for African Development |
| **WADIS** | West African Development Information System |
| **WFP** | World Food Programme |
| **WHO** | World Health Organization |
| **WMO** | World Meteorological Organization |
| **WTO** | World Trade Organization |

## INTRODUCTION

1. The present annual report of the Economic Commission for Africa covers the period 9 May 1996 to 8 May 1997. It has been prepared in accordance with paragraph 18 of the Commission's terms of reference and was adopted by the Commission on 8 May 1997.

## CHAPTER I

## MATTERS CALLING FOR ACTION BY THE ECONOMIC AND SOCIAL COUNCIL OR BROUGHT TO ITS ATTENTION

### Economic Commission for Africa

2. At its thirty-second session of the Commission/twenty-third meeting of the Conference of Ministers responsible for Economic and Social Development and Planning, held in Addis Ababa from 5 to 8 May 1997, the Commission adopted five resolutions and a declaration which call for action by the Council or which should be brought to its attention.

### I. *Resolutions calling for action by the Council*

3. The following two resolutions call for action by the Council:

### DRAFT RESOLUTION I

826 (XXXII). Reform of the intergovernmental machinery of the Economic Commission for Africa

The Conference of Ministers,

Recalling the various resolutions that have implications on the mandate and operations of the Commission including, in particular, General Assembly resolutions 32/197 of 20 December 1977, 33/202 of 29 January 1979 and 44/211 of 21 December 1990 on the restructuring of the economic and social sectors of the United Nations system,

Recalling also its resolution 618 (XXII) of 24 April 1987 on in-depth study of the United Nations intergovernmental structure and functions in the economic and social fields,

Recalling further General Assembly resolutions 45/177 of 19 December 1990, 45/264 of 13 May 1991, 46/235 of 13 April 1992 and 50/227 of 24 May 1996 on the restructuring and revitalization of the United Nations in the economic, social and related fields, in which the regional commissions should be enabled fully to play their role under the authority of the General Assembly and the Economic and Social Council,

Bearing in mind Commission resolution 809 (XXXI) of 8 May 1996 on the new strategic directions for the Economic Commission for Africa,

Having taken note of the new policy and programme orientation of the Commission as well as steps being taken to restructure the secretariat, and conscious of the need to align the intergovernmental machinery to this new orientation in order to enable the Commission to address the emerging challenges and priorities of the region effectively,

Having reviewed the existing intergovernmental machinery of the Commission,

Decides that the structure and functioning of the intergovernmental machinery of the Commission should be as follows:

#### A. Organs dealing with overall development issues

1. Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) and its Technical Preparatory Committee of the Whole (TEPCOW)

The Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) will provide legislative mandate and policy guidance for the work of the Commission; consider and endorse the work programmes of the Commission; serve as a forum for articulating Africa's position on development issues on the agenda of the United Nations; and decide upon the recommendations of its subsidiary bodies and of the Executive Secretary.

Since the mandate of the Conference encompasses the whole spectrum of development issues - economic as well as social - it will subsume the legislative responsibilities previously assigned to the Conference of African Ministers responsible for Human Development, which is proposed for abolition.

The Conference will meet on biennial basis. The next meeting will be in 1999. The Bureau of the Commission will be expanded, so that it will have a representative from each of the five subregions of the continent, namely North, Eastern, Southern, West and Central Africa. It will consist of a chairman, three vice-chairmen and one rapporteur.

A Follow-up Committee is hereby established. It will be composed of the members of the incoming and outgoing bureaux of the Commission at every session. It will meet as often as necessary but at least once in inter-sessional years to review Commission affairs and progress in the implementation of decisions.

The meetings of the Follow-up Committee shall be convened by the Executive Secretary in consultation with the chairman of the Commission as and when necessary.

The Technical Preparatory Committee of the Whole (TEPCOW) shall continue to provide technical support to the Conference and precedes the Conference.

### 2. Intergovernmental Committees of Experts of the Subregional Development Centres (SRDCs)

The five Intergovernmental Committees of Experts of the Subregional Development Centres shall meet annually and report to the Commission through the Technical Preparatory Committee of the Whole. In the years when the Commission does not meet, the reports of these Committees would be presented to the Follow-up Committee of the Bureau. These Committees shall oversee the overall formulation and implementation of the programme of work and priorities of the respective Subregional Development Centres and make recommendations on important issues concerning economic and social development in their respective subregions, as well as on the promotion and strengthening of subregional economic cooperation and integration.

### 3. Conference of African Ministers of Finance

This Conference of African Ministers of Finance will be retained. The Conference will be convened biennially in alternate years to the meetings of the Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission). The Conference will have a committee of experts to prepare its meetings which will convene before each session.

## B. Subsidiary bodies to be created or retained

### 1. Committee on Women and Development

The Africa Regional Coordinating Committee for the Integration of Women in Development (ARCC), which will be renamed Committee on Women and Development, will be retained and continue to play its role as an advisory forum of experts and policy makers, providing guidance to the Commission's work on the advancement of women. It will also provide a platform for advocacy and assessing follow-up and implementation by African Governments of the Global and Regional Platforms for Action for the advancement of women. In particular, it will address issues relating to economic empowerment of women, their legal and human rights protection and improved access to education and health. It will meet on a biennial basis.

### 2. Committee on Development Information

As the Economic Commission for Africa strengthens its role in assisting member States in developing their national information and communication infrastructure, it needs a body that brings together experts and policy makers to advise it in this area. The beginnings of such a body exist in the High-level Working Group that helped to articulate the African Information Society Initiative (AISI): An action framework to build Africa's information and communication infrastructure, and in the African Technical Advisory Committee of experts on information infrastructure which has been established to provide advice on the implementation of the Initiative. The Committee on Development Information will build on the work of these bodies as well as the Joint Conference of African Planners, Statisticians, Population and Information Specialists.

The Committee on Development Information will include experts from such fields as planning, statistics and geo-information systems as well as information specialists. The Committee will meet on a biennial basis.

### 3. Committee on Sustainable Development

This Committee would serve as a forum of experts that will provide advice to ECA in the interlinked areas of food security, population, environment and human settlements. In this regard, it will provide a platform for advocacy and the assessment of follow-up activities by African Governments to regional and global plans of actions, namely the African Common Position on Environment and Development, the African Common Position for Habitat II, the Dakar/Ngor Declaration on Population, Family and Sustainable Development, Agenda 21, the Habitat Agenda, the Cairo Programme of Action on Population and Development and the Programme of Action of the World Food Summit and their implementation.

It would address specific measures to promote the protection and regeneration of the environment, enhance food security in Africa, sustainable human settlements and issues arising from increased population growth. This Committee will meet once every two years.

### 4. Committee on Human Development and Civil Society

The Committee's mission will be to help strengthen the civil society and human development. It will enable ECA to draw on opinions of experts in the public and private sectors and civil society in its operations. The Committee will conduct development and follow-up activities pertaining to global and regional action programmes such as the Copenhagen Declaration and Programme of Action of the World Summit for Social Development and the African Charter for Popular Participation in Development and Transformation. It will review major trends and issues of regional interest regarding human development and the civil society. It will assume the functions of the Ministerial Follow-up Committee of Fifteen of the Conference of African Ministers responsible for Human Development and meet every two years.

### 5. Committee on Industry and Private Sector Development

The Committee would serve as a forum for addressing measures to strengthen the private sector. It would focus on such issues as improving public-private partnerships, stimulating private investment and creating a sound legal and regulatory framework for business. The Committee would monitor and review progress in the industrialization of Africa as well as identify and recommend measures for accelerating the process of industrialization in the region.

This Committee will subsume some of the functions of the Conference of African Ministers of Industry. It will provide policy and strategy guidance for enhancing programme formulation in pursuit of various aspects of subregional and regional industrial development. In this respect, it would also advise on strategies to facilitate Africa's industrial competitiveness through the promotion of complementarity and integration taking into account global scientific and technological developments. It will be composed of experts representing each private sector group, such as chambers of commerce, manufacturers' associations, capital market forums and labour and policy makers from relevant government departments. The Committee will meet biennially.

### 6. Committee on Natural Resources and Science and Technology

This Committee will subsume the functions performed by the African Regional Conference on Science and Technology and the Conference of African Ministers responsible for the Development and Utilization of Mineral Resources and Energy. It will, however, be composed of experts in these fields.

The Committee will serve as a forum for the promotion of cooperation among African countries in the areas of science and technology and development and natural resources and for providing advice on science and technology issues relevant to the development of member States. It will meet on a biennial basis.

### 7. Committee on Regional Cooperation and Integration

This Committee will subsume the functions of the Conference of African Ministers of Trade and Regional Cooperation and Integration. Because of the important role trade plays in regional cooperation and integration, the main focus of this work will be trade - intra-African and international trade. It will be composed of experts in the field of international trade and integration drawn from government as well as the private sector.

In addition, the Committee would promote the implementation of measures designed to strengthen economic cooperation and integration among African countries; assist African countries and their intergovernmental organizations in making more effective the policy instruments for economic cooperation and integration of the African region; and identify measures to coordinate and harmonize micro- and macroeconomic policy among African countries as a prerequisite for accelerating regional economic integration. It will meet on a biennial basis.

## C. Conferences proposed for abolition

### 1. Conference of African Ministers responsible for Human Development

This Conference is abolished. Its legislative functions will be subsumed by the Conference of African Ministers responsible for Economic and Social Development and Planning. The functions of its Ministerial Follow-up Committee of Fifteen will be subsumed by the Committee on Human Development and Civil Society.

### 2. Conference of African Ministers responsible for Sustainable Development and Environment (CAMSDE)

This Conference was created in the 1993 restructuring of the intergovernmental machinery of ECA with a view to providing legislative guidance for ECA's work in the area of sustainable development and environment. Subsequently, it was found that its mandate duplicated the African Ministerial Conference on the Environment (AMCEN), which has a joint secretariat composed of ECA, the Organization of African Unity (OAU) and the United Nations Environment Programme (UNEP). Consequently, the Executive Secretary of ECA was requested to undertake consultations on how to resolve the problem of duplication between AMCEN and CAMSDE.

The results of those consultations were presented to the ECA Conference of Ministers in May 1996 in document E/ECA/CM.22/11/Add.2. The consultations indicated four options for resolving the problem: merge CAMSDE and AMCEN; strengthen the modalities of collaboration between CAMSDE and AMCEN; broaden the mandate of AMCEN to include issues of sustainable development; and drop "Environment" from the title of CAMSDE. The abolition of the Conference of African Ministers responsible for Sustainable Development and Environment resolves the problem of duplication with the African Ministerial Conference on the Environment.

### 3. Conference of African Ministers of Trade and Regional Cooperation and Integration

The functions of this Conference overlap both with the Economic and Social Commission of the African Economic Community and its Committee on Trade, Customs and Immigration. Some of the functions of this Committee will be subsumed by the newly established Committee on Regional Cooperation and Integration.

### 4. Conference of African Ministers of Transport and Communications

This Conference would be abolished at the end of the second United Nations Transport and Communications Decade in Africa (UNTACDA-II) in 1999. Thereafter, the African Economic Community's Committee on Transport, Communications and Tourism will become the regional forum for discussions on the relevant issues.

### 5. Conference of African Ministers of Industry

This Conference would be abolished at the end of the United Nations second Industrial Development Decade for Africa (IDDA-II) in 2001. Thereafter, the African Economic Community's Committee on Industry, Science and Technology, Energy, Natural Resources and Environment will become the regional forum for discussions. As indicated earlier, the newly established ECA Committee on Industry and Private Sector Development will also focus on industry in the broader context of private sector development.

## D. Subsidiary bodies proposed for abolition

### 1. United Nations Regional Cartographic Conference for Africa

The functions of this Conference will be subsumed by the Committee on Development Information.

### 2. African Regional Conference on Science and Technology

The functions of this Conference will be subsumed by the Committee on Natural Resources and Science and Technology.

### 3. Joint Conference of African Planners, Statisticians, Population and Information Specialists

The functions of this Conference will be subsumed both by the Committee on Sustainable Development and the Committee on Development Information.

### Sectoral ministerial meetings

Although several sectoral ministerial meetings are proposed for abolition, the Commission will convene ministerial meetings on any issue as warranted by circumstances.

## Annex to resolution 826 (XXXII)

## TERMS OF REFERENCE OF THE ORGANS OF THE PROPOSED NEW STRUCTURE OF THE INTERGOVERNMENTAL MACHINERY OF THE ECONOMIC COMMISSION FOR AFRICA

### Terms of reference of the Conference of African Ministers responsible for Economic and Social Development and Planning

(a) Provide legislative mandate and policy guidance for the work of the Commission;

(b) Consider the programme of work and priorities of the Commission;

(c) Review and analyze the economic and social situation in the region;

(d) Identify and highlight the major economic and social development issues and concerns with a view to promoting policies and strategies for Africa's accelerated development;

(e) Suggest policy measures and actions for implementing various strategies and initiatives, including eliciting the support of the international community in support of that effort;

(f) Undertake periodic reviews of the follow-up to the global conferences preparatory to review and appraisal of the implementation of the relevant programmes of action of these conferences by the Economic and Social Council and the General Assembly of the United Nations;

(g) Conduct periodic reviews of the situation of the least developed countries and submit to the Economic and Social Council and the General Assembly or any special conference, a report on the situation of the least developed countries in Africa;

(h) Encourage the establishment of appropriate mechanisms at the national, subregional and regional levels to promote the advancement of women;

(i) In close collaboration with the Organization of African Unity and the African Development Bank, assist member States in promoting regional cooperation and integration, in particular in the implementation of the Abuja Treaty establishing the African Economic Community;

(j) Foster policy coordination with the Organization of African Unity/African Economic Community on all international economic negotiations;

(k) Undertake a review of the work and the functioning of the subsidiary organs of the Commission; and

(l) Review and assess the programme orientation of the secretariat and any recommendations submitted by the Executive Secretary.

### Terms of reference of the Intergovernmental Committees of Experts of the Subregional Development Centres (SRDCs)

(a) Recommend strategies, policies, programmes and projects aimed at enhancing economic cooperation and integration within their respective subregions and with other African subregions, in conformity with the objectives of the African Economic Community;

(b) Submit to the ECA Conference of Ministers the (biennial) draft work programmes of the Subregional Development Centres and suggest measures for the successful implementation of those work programmes. The latter take into account the activities of the intergovernmental organizations with a view to supporting, not duplicating, them;

(c) Monitor through a continuous process and appropriate mechanism the implementation of the approved work programmes of the Subregional Development Centres and report thereon to the ECA Conference of Ministers; in this regard, the Committees will consider the reports of the Follow-up Committees of the Subregional Development Centres;

(d) Review and analyze the economic and social conditions prevailing in their respective subregions with a view to making appropriate recommendations of measures likely to foster economic cooperation and integration among the countries concerned;

(e) Review and make subsequent recommendations on reports of sectoral meetings organized by or with the assistance of the Subregional Development Centres;

(f) Suggest measures aimed at mobilizing resources for the effective implementation of the programmes of the Subregional Development Centres;

(g) Carry out any duties assigned to them by the ECA Conference of Ministers in connection with their mandate;

(h) Establish liaison with other agencies, organizations and non-governmental organizations at the subregional, regional and global levels, and take into account their relevant recommendations; and

(i) Make recommendations to the ECA Conference of African Ministers responsible for Economic and Social Development and Planning.

### Terms of reference of the Conference of African Ministers of Finance

(a) Monitor and evaluate the impact of the international monetary and financial situation on the African economies and propose appropriate remedial action;

(b) Regularly assess the structure and magnitude of Africa's external debts, including the debt-servicing obligations of African countries with a view to proposing effective measures to alleviate such debt;

(c) Review intra-African monetary and financial cooperation and suggest ways by which resource flows to Africa can be enhanced;

(d) Promote the exchange of information and the sharing of national experiences in dealing with monetary and financial matters; and

(e) Devise strategies for strengthening Africa's position in international negotiations on monetary and financial issues.

## TERMS OF REFERENCE OF THE SUBSIDIARY BODIES

### A. Committee on Women and Development

(a) Review periodically the progress in the implementation of the Global and Regional Platforms for Action;

(b) Review and evaluate the activities carried out in the region in the framework of the relevant programmes for the advancement of women;

(c) Harmonize and coordinate the subregional programmes on women in development approved within the subregions;

(d) Report to the Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) on the activities and programmes on women in development covered at the subregional and regional levels;

(e) Mobilize resources for the implementation of the programmes of action agreed at the subregional and regional levels;

(f) Participate in the activities and meetings of the United Nations and other relevant bodies; and

(g) Organize the exchange of information and experiences on policies regarding the advancement of women in member States.

### B. Committee on Development Information

(a) Review and advise on the implementation of the African Information Society Initiative (AISI): An action framework for national information and communications infrastructure with a view to suggesting measures to accelerate its implementation;

(b) Mobilize funding and technical assistance for the implementation of the African Information Society Initiative;

(c) Identify and suggest techniques for the application of geographic information for natural resource exploitation and management;

(d) Examine and advise on progress by member States in all aspects of statistical development;

(e) Advise on the establishment of arrangements for the improvement of all aspects of methodology and practice in the areas of statistics, information science and geographic information system (remote sensing and cartography); and

(f) Coordinate the training for African personnel in the areas of statistics, information science and geographic information systems.

### C. Committee on Sustainable Development

(a) Undertake periodic review of the implementation of regional and global programmes of action such as Agenda 21, the Cairo Programme of Action on Population and Development, the Habitat Agenda and Food Security;

(b) Consider and make recommendations on a multidisciplinary approach to the implementation of the relevant programmes of action;

(c) Promote the formulation of policies and measures for environment protection, food security, improved human settlements and integration of population variables in development planning; and

(d) Provide advice to the Commission in the formulation of activities for supporting member States in the interrelated areas of food security, population, environment and human settlements.

### D. Committee on Human Development and Civil Society

(a) Assist member States to promote measures to follow up the implementation of the regional and globally agreed programmes of action in social and human development and popular participation;

(b) Provide advice to the Commission in formulating its work programmes in the area of human development and popular participation;

(c) Encourage the integration of social and human dimensions into development policies, plans and programmes at both macroeconomic and sectoral levels; and

(d) Identify and highlight the major economic and social development issues and concerns with a view to promoting policies and strategies for human development and popular participation in development.

### E. Committee on Industry and Private Sector Development

(a) Assist the Commission in the articulation of strategies and programmes for private sector development;

(b) Undertake periodic reviews and assessment of the progress in implementing strategies for private sector development;

(c) Provide advice to the Commission on orienting its work programme to give support to member States in fostering private sector development;

(d) Provide a forum where representatives of government and the private sector can share experiences and exchange information on best practices relating to support policy measures for private sector development;

(e) Review and monitor progress in industrialization in Africa;

(f) Identify and recommend measures for accelerating the process of industrialization in the region:

(i) provide advice and information that would enable the Commission to formulate strategies for subregional and/or regional industrial integration;

(ii) provide the Commission with advice on how best to assist member States to facilitate industrial development, including their promotion of industrial restructuring programmes; and

(g) Periodically assess progress made in the process of industrialization and in the implementation of integration strategies.

### F. Committee on Natural Resources, Science and Technology

(a) Promote measures to facilitate cooperation among African countries in the areas of natural resources, science and technology;

(b) Provide a forum for exchange of information and sharing experiences in these areas;

(c) Assist the Commission in the formulation of programmes for the development and application of science and technology; and

(d) Advise the Commission on ways to strengthen its support to member States in the area of natural resources management.

### G. Committee on Regional Cooperation and Integration

(a) Undertake periodic review and assessment of Africa's trading position in the world economy;

(b) Identify and highlight major opportunities and constraints in trade and investment for African countries;

(c) Enhance the African trade sector through the adoption of appropriate measures, policies and strategies for the expansion of regional and external trade;

(d) In close collaboration with the Organization of African Unity/African Economic Community, promote the implementation of measures designed to strengthen economic cooperation and integration among African countries;

(e) Assist African countries and their intergovernmental organizations in making more effective the policy instruments for economic cooperation and integration in Africa;

(f) In close collaboration with the Intergovernmental Committees of Experts of the Subregional Development Centres, assist the member States of the Subregional Development Centres and their intergovernmental organizations in the strengthening of existing institutional machinery for subregional economic cooperation and integration as well as strengthening existing institutions for subregional trade cooperation, within the framework of the Abuja Treaty; and

(g) Identify measures to coordinate and harmonize micro- and macroeconomic policy among African countries as a prerequisite for accelerating regional economic integration.

### DRAFT RESOLUTION II

830 (XXXII). Programme of work and priorities for the biennium 1998-1999

The Conference of Ministers,

Recalling General Assembly resolution 41/203 of 19 December 1986 and subsequent relevant resolutions on programme planning,

Recalling further its resolution 809 (XXXI) of 8 May 1996 on new directions for the Economic Commission for Africa, and in particular endorsing the new orientations of the Commission as outlined in the Strategic Directions document as well as in the adopted Medium-term Plan for the period 1998-2001,

Taking note of the programme of work for 1997 as revised in compliance with operative paragraph 5 of its resolution 809 (XXXI) requesting the Executive Secretary, in close collaboration with the Bureau of the Commission, to revise the 1996-1997 work programme,

Having examined the proposed programme of work and priorities for the biennium 1998-1999 contained in document E/ECA/CM.23/10,

Taking note of the new programme structure which is characterized by congruence between organizational and programme structures, reduction in the number of subprogrammes and clustering closely related activities under a single subprogramme to foster synergy and achieve greater efficiency and impact in the delivery of services,

Convinced that the proposals contained in the proposed programme of work and priorities for the biennium 1998-1999 will make a significant contribution to Africa's economic and social development,

1. Endorses the work programme and priorities of the Commission for the biennium 1998-1999 as contained in document E/ECA/-CM.23/10 as amended;

2. Requests the Secretary-General of the United Nations, in making his proposals for the 1998-1999 programme budget, to give special consideration to the development needs of the African region by providing the Commission with adequate resources to enable it to fully carry out the reforms already embarked upon;

3. Calls upon the General Assembly of the United Nations and its Second and Fifth Committees to ensure that adequate resources are made available to the Commission for the implementation of this work programme;

4. Requests the Executive Secretary of the Commission to ensure that the implementation of this work programme is guided by the same principles that have underpinned reform and renewal at the Economic Commission for Africa: professional excellence, cost-effectiveness in product management and programme delivery and effective partnerships with African regional organizations, United Nations agencies and other multilateral and bilateral donors in support of Africa's development;

5. Commends the secretariat of the Economic Commission for Africa for the innovative approach it adopted in designing the work programme and the activities therein.

## II. *Matters brought to the attention of the Council*

### 827(XXXII) Rationalization and harmonization of ECA-sponsored institutions

By this resolution, the Commission endorsed the recommendations contained in document E/ECA/CM.23/5 on the rationalization and harmonization of the ECA-sponsored institutions. It called upon the governing bodies of the institutions whose survival was extremely doubtful due to lack of support to initiate, in consultation with the relevant host governments, immediate measures towards their closure. It also requested the Executive Secretary of the Commission to identify, on the basis of agreed criteria, those institutions with which the Commission would develop close partnership programmes for enhanced synergy and to seek alliances with the Commission's cooperating partners to support further efforts by member States to transform those institutions that the Commission would have identified into regional centres of excellence.

### 828 (XXXII). The Multinational Programming and Operational Centres: Strengthening the Economic Commission for Africa's subregional presence

As a follow-up to its resolution 810 (XXXI) of 8 May 1996 on the strengthening of the Multinational Programming and Operational Centres (MULPOCs), the Commission examined document E/ECA/CM.23/6 which contained proposals and recommendations covering all relevant aspects of the MULPOCs' operations, including their mandate, geographical coverage, membership, location of headquarters and policy-making institutional framework. It decided to rename the MULPOCs "Subregional Development Centres (SRDCs)" and redefined their functions as contained in operative paragraph 2 of this resolution. It also decided that the distribution and membership of the Subregional Development Centres should be as follows:

(a) North African Subregional Development Centre: headquarters: Tangier, Morocco; membership: Algeria, Egypt, the Libyan Arab Jamahiriya, Mauritania, Morocco, the Sudan and Tunisia;

(b) West African Subregional Development Centre: headquarters: Niamey, the Niger; membership: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, the Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, the Niger, Nigeria, Senegal, Sierra Leone and Togo;

(c) Central African Subregional Development Centre: headquarters: Yaounde, Cameroun; membership: Cameroon, the Central African Republic, Chad, the Congo, Equatorial Guinea, Gabon and Sao Tome and Principe;

(d) Southern African Subregional Development Centre: headquarters: Lusaka, Zambia; membership: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe; and

(e) Eastern African Subregional Development Centre: headquarters: Kigali, Rwanda; membership: Burundi, Comoros, the Democratic Republic of Congo (formerly Zaire), Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Rwanda, Seychelles, Somalia, Uganda and the United Republic of Tanzania.

The Commission appealed to the host countries of the various Subregional Development Centres to provide necessary facilities and support, including office accommodation, to reflect the enhanced presence of the Economic Commission for Africa in the subregions.

### 829 (XXXII). Follow-up to the Kampala Action Plan on Peace and Development and the African Platform for Action: Creation of the African Women Committee on Peace

By this resolution, the Commission took note with satisfaction of the recommendations of the Women Leadership Forum on Peace held in Johannesburg in November 1996 at the initiative of the Economic Commission for Africa and the Organization of African Unity. Conscious of the fact that women are virtually absent at the level of decision making in matters of war and peace, it endorsed the creation of the African Women Committee on Peace which will work closely with the Organization of African Unity central organ in an advisory capacity in matters related to the peace process. It called upon the Economic Commission for Africa to collaborate with the Organization of African Unity in providing a joint secretariat for the African Women Committee on Peace and to assist the Committee in establishing its own secretariat as soon as possible. It also requested the Executive Secretary of the Commission to submit this resolution to the Heads of State and Government of the Organization of

African Unity at its forthcoming Summit meeting for endorsement.

### Declaration on accelerating trade and investment in Africa

At the conclusion of the work of its thirty-second session, the Commission adopted a declaration entitled "Declaration on accelerating trade and investment in Africa".

In the Declaration, the Commission endorsed the resolutions and declaration adopted by the Conference of African Ministers of Finance at its sixth session held from 31 March to 2 April 1997. It took stock of Africa's position within the emerging global economic system at the threshold of the twenty-first century, and reaffirmed African countries' primary responsibility for restructuring their economies to the challenges and opportunities of a globalizing and liberalizing world economy.

The Commission was convinced that trade and investment were essential components in any credible strategies to accelerate African countries' development and sustain high rates of economic growth; and that poverty, which constituted the most serious problem facing African society, could be reduced and eventually eradicated by sustained high rates of economic growth that is broad-based and geared to creating employment and generating rising incomes.

The Commission welcomed the debt reduction initiative for the highly indebted poor countries recently proposed by the World Bank and the International Monetary Fund and hoped that it would be reinforced by additional bilateral and multilateral measures to substantially reduce all African countries' debt stock. It invited transnational corporations to play their rightful role in securing the flow of foreign direct investment while respecting the principles adopted by African countries.

The Commission recognized that, in order to boost domestic savings and investment, attract substantial private foreign capital transfers and expand trade with the rest of the world, African countries must accomplish at least the following prerequisites:

(a) Promote a positive image of Africa as a safe place for business and investment;

(b) Maintain peace, security, political stability and good governance;

(c) Establish an adequate legal and regulatory framework;

(d) Strengthen institutional capacities of African countries;

(e) Improve information flow on economic developments in Africa;

(f) Modernize, expanding and diversifying production;

(g) Reduce the cost of establishment and doing business;

(h) Strengthen international competitiveness to better participate in the multilateral trading system; and

(i) Strive for genuine regional economic integration.

Domestic and foreign investors were invited to take advantage of the opportunities created by the improved policy and economic environment in Africa. Africa's bilateral partners were urged to continue to provide direct financial support and extend indirect support through tax incentives to their national investors participating in infrastructure development projects in Africa. The Conference requested the ECA secretariat to identify issues crucial to accelerating trade and investment, and to come up with appropriate strategies, in collaboration with African Governments and leading African and global multilateral institutions. ECA should also function as the clearing-house for gathering and disseminating experiences and best practices from within Africa as well as from other regions.

# CHAPTER II

## WORK OF THE COMMISSION DURING THE PERIOD 9 MAY 1996 TO 8 MAY 1997

4. The Economic Commission for Africa made a transition to a new programme structure, consisting of five subprogrammes, namely facilitating economic and social policy analysis; enhancing food security and sustainable development; strengthening development management; harnessing information for development; and promoting regional cooperation and integration. Two cross-cutting issues - promoting women in development and capacity building - underpin these subprogrammes.

### A. Activities of subsidiary bodies

5. During the period under review, the secretariat prepared for and serviced meetings of various intergovernmental bodies of the Commission. The list of these meetings is given in annex II of this report.

### B. Other activities

#### Facilitating economic and social policy analysis

6. In the area of surveys, research and economic policy analysis, the secretariat prepared the 1995-1996 Survey of the Economic and Social Conditions in Africa; the Economic Report on Africa, 1996; and the Report on the Economic and Social Situation in Africa, 1997. The objective of these documents is to provide an assessment of the current trends and short-term outlook of the African economies and indicate the factors affecting their performance, taking into account developments in the world economic environment. It is hoped that the information and analysis will help member States to promote policies and formulate strategies for sustainable economic growth and development. In addition to assessing the situation from an African perspective, the intention is also to disseminate, as widely as possible, best practices of policy formulation in Africa.

7. The 1995-1996 Survey focuses on three themes - economic diversification, mobilization of domestic financial resources and social security. The secretariat has also published the first issue of the African Economic and Social Review, which is intended to encourage the study and analysis of development issues and policies in Africa and to inform and share analytical insights with policy makers, scholars and operators on Africa's socioeconomic development. A study entitled "Africa in the 1990s and beyond: ECA-revised development perspective study" has also been prepared. The study reviews progress in the attainment of the basic objectives of the regionally agreed development strategies.

8. In the area of social development, the secretariat continued to monitor developments in the African social sector. A major report in this area was a study on "HIV/AIDS and its implications for human development in Africa", which examines the impact of the HIV/AIDS pandemic on the African social situation and the implication this has for Africa's long-term socio-economic transformation. Another major study in social development was on "Social security systems in Africa: Trends and prospects" which analyzes the status of formal social security in Africa which indicated, after examining all facets of modern social security provision, that the coverage was seriously limited as the labour force was mostly in the informal and agricultural sectors.

9. The increasingly dynamic pace of Africa's development and the global investment market present new opportunities and demands for the mobilization of domestic and international resources for development on this continent. Many African Governments have taken steps to liberalize financial sectors to foster local development to better compete for the burgeoning supply of global savings. It is against this backdrop that the sixth session of the Conference of African Ministers of Finance met in Addis Ababa from 25 March to 2 April 1997, under the theme "Financial sector reforms and debt management". The Conference, among other things, considered the following issues: the role of multilateral financial institutions; financial reform in Africa; the African debt problem and the Heavily Indebted Poor Countries (HIPCs) Initiative; and the challenges and opportunities of capital markets in Africa.

10. ECA and the African Economic Research Consortium (AERC) organized in Addis Ababa on 10 and 11 October 1996 a "Dissemination Seminar on Regional Integration and Trade Liberalization in Sub-Saharan Africa", the purpose of which was to disseminate and review research undertaken by the Consortium in the area of regional integration and trade liberalization in Africa. This illustrates the Commission's new

approach to interact and network with research institutions, universities and other academic institutions in order to build synergies.

11. Other activities carried out under this subprogramme related to the coordination, monitoring and follow up of the implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF), the Programme of Action for the Least Developed Countries and the Special Programme for Small Island Developing States (SIDS).

12. As secretariat of the United Nations Inter-Agency Task Force for African Economic Recovery and Development (UN-IATF), ECA contributed to the substantive servicing of the mid-term review of the implementation of UN-NADAF. ECA also contributed to the work of the Inter-Agency Task Force on the development of the informal sector in Africa. Other activities in this area included the organization of a major inter-agency workshop on capacities required for the diversification of African economies which gathered a large number of United Nations and private sector agencies and organizations.

13. Under the regular programme of technical cooperation, the secretariat responded to a number of requests for advisory services and training geared to strengthening the capabilities of member States and their intergovernmental organizations in such areas as macroeconomic analysis, data management, development finance, programme elaboration and development planning.

14. The secretariat continued to strengthen its partnership programme with the African Institute for Economic Development and Planning (IDEP).

15. ECA is a member of the World Bank Special Programme of Assistance for Africa (SPA) Working Group on poverty and social policy. The Bank and the Commission will collaborate in publishing the "Status Report on Poverty in Africa 1997".

### Enhancing food security and sustainable development

16. Ensuring food security and sustainable development in Africa continues to be accorded high priority by the Commission. During the period under review, the secretariat prepared 24 policy reports and serviced or participated in 26 meetings, conferences and workshops. The activities were aimed at raising African policy makers' awareness of the interrelationships between food, population, environment and human settlements concerns in development planning; improving water resources management; strengthening co-operation among agencies concerned with sustainable development issues; and the application of science and technology to agriculture and sustainable development concerns.

17. The policy reports covered such issues as the harmonization of population and economic growth rates in ECA member States; best practices in the fields of food security and human settlements; human resource development and capacity-building for the implementation of the Habitat II Agenda; and the linkages between agriculture, population and environment. Emphasis was also placed on the analysis of specific issues concerning the impact of environmental hazards on health and urban development as well as policy responses aimed at creating sustainable cities in Africa. One report provides an overview of progress made in the implementation of Agenda 21 adopted by the United Nations Conference on Environment and Development. An assessment of the progress made towards combating desertification in North Africa was undertaken. For the Eastern and Southern African subregion, a study was undertaken to assess the potential contribution of non-conventional food resources to food security. A study entitled "After the Uruguay Round: Global challenges and Africa's response in selected areas" was undertaken jointly with the Centre for Global Trade Analysis of Purdue University (USA). The study makes proposals for enhancing African capacity in analyzing trade arrangements at the regional and global levels especially as they relate to agricultural production and food security.

18. Building the capacity of member States for ensuring food security and sustainable development constitutes an important component of the activities of the Commission. Group training, workshops and seminars were organized for policy makers and experts working in the areas of population, sustainable development of trans-boundary water resources, management and utilization. In the area of science and technology for development, the secretariat provided technical assistance to member States on follow-up to the decisions of the first meeting of the African Regional Conference on Science and Technology.

19. The regular programme of technical co-operation also provided advisory services to member States and intergovernmental organizations in a number of areas. ECA collaborated with the African Development Bank and the Organization of African Unity in designing regional pilot projects involving five countries incorporating participatory management of farming systems and

soil conservation at the village level. The Common Market for Eastern and Southern African States received technical assistance in the formulation of projects dealing with food security and sustainable development in its member States. Malawi, Mozambique, Zambia and Zimbabwe were provided with technical assistance in the organization of a network of researchers studying the magnitude, direction and implications of informal trade in food and agricultural products across their national borders on national, subregional and regional food security. Technical advisory services were also provided to a network of transporters and transport administrators from Eritrea, Ethiopia, Djibouti, Somalia and the Sudan on measures for lowering road and rail transport costs as a means of facilitating subregional trade in food and agricultural products. Training was provided to a total of 125 people, ranging from policy analysts to middle-level agricultural administrators from about 40 countries. The training was in several areas, including: (a) tools, methods and approaches for analyzing food security and sustainable development policies; (b) the conduct of comparative advantage analysis across agro-ecological zones; and (c) measuring the impact of structural adjustment programmes on agriculture and trade. This programme provided back-stopping to several networks of institutions and individuals involved with food security and sustainability issues. The networks included the Southern and Eastern African Regional Network on Agricultural Trade, the West and Central African Sorghum Research Network and members of the World Conservation and World Resources Institute stakeholders' project on food security and the environment in the greater Horn of Africa.

20. The secretariat participated and contributed to the work of the various inter-agency committees and task forces, including the Administrative Committee on Coordination (ACC) Subcommittee on Demographic Estimates and Projections; the inter-agency task force on harmonizing United Nations Population Fund (UNFPA) funded projects; and the Commission on Population and Development. Consultations were held on the implementation of Agenda 21 and the preparations for the special session of the General Assembly on the review of Agenda 21. It collaborated with the Food and Agriculture Organization of the United Nations (FAO) in the organization of the consultative meeting on sustainable development of mountain ecosystems in Africa, held in Addis Ababa from 3 to 7 June 1996.

### Strengthening development management

21. Activities in support of development management put particular emphasis on fostering public-private partnership in support of development; promoting public sector reforms for enhanced effectiveness and efficiency; and enhancing the interface between government and civil society organizations.

22. As a contribution to promoting public sector reforms and efficiency, the secretariat undertook a number of activities culminating in the following publications and reports: the role of local government in enhancing popular participation; politics and administrative efficiency in Africa: enhancing accountability in the management of public enterprises in Africa; improving public sector expenditure targeting and allocation to foster rural development and employment generation; and strengthening of government institutional mechanisms for effective management of privatization programmes in Africa.

23. In the area of support for private sector development, the secretariat conducted studies on such issues as measures for enhancing interface between government, university/research institutions and private sectors in developing the capacity of small- and medium-scale enterprises in Africa: entrepreneurship development for small and medium enterprises; guidelines, legal procedures and modalities for negotiations and investment promotion of African multinational industrial projects and enterprises; private sector involvement in manufacturing industries for road and railway transport equipment, machinery, plants and components.

24. A number of activities were similarly undertaken to strengthen the role of civil society organizations in development and enhance the dialogue between these organizations and African Governments. Under the regular programme of technical cooperation, the regional advisers rendered services on job evaluation of the staff of the Economic Community of West African States (ECOWAS) in April 1996; capacity building for the Centre for Public Service Training at the University of Namibia; the African Training and Research Centre in Administration for Development (CAFRAD) in Morocco and the African Association for Public Administration and Management (AAPAM) in Kenya. In addition, the secretariat organized training workshops on indicators for

monitoring and evaluating the performance of public enterprises with the view to improving the skills of managers of public enterprises in monitoring the performance of their enterprises. Other workshops covered the following themes: challenges of commercialization and productivity improvement; motivation and productivity; performance improvement; and capacity building and skill enhancement.

25. The thirteenth meeting of the Conference of African Ministers of Industry was organized in cooperation with the United Nations Industrial Development Organization (UNIDO) and OAU. As part of the preparations, joint missions were undertaken to evaluate the implementation of the second Industrial Development Decade for Africa (IDDA II) with a view to identifying any shortcomings and the need to redirect the programme objectives to respond to the emerging broader private sector development needs of the region. ECA is strengthening its collaboration with UNIDO on industrial development activities of the region through active involvement in the recently initiated UNIDO "Alliance for Africa's Industrialization" which aims at enhancing the implementation of the IDDA II.

26. The secretariat worked closely with the United Nations Department for Development Support and Management Services in holding jointly with the United Nations Development Programme (UNDP), the Swedish Government and Swedish International Services a "Global Forum in Local Governance". Another collaborative activity is the proposed conference on problems and prospects of good governance in Africa, which is being organized in partnership with the Governments of Japan, Italy, Zimbabwe and the Commonwealth Secretariat.

### Harnessing information for development

27. Under the programme on harnessing information for development, two monographs and four research reports (case studies) were produced. The first monograph, entitled "Reader on information management strategies for Africa's development", deals with the lack of relevant data and information in African countries. The second monograph, "Strategies for human resources development for information management in Africa", discusses training manpower, continued education and terminology and standardization issues.

28. Four case studies were undertaken to illustrate the impact of information technology on four African countries. The first, entitled "Building Africa's information highway: The case of Mozambique", highlights the difficulties in developing the infrastructure (using electronic information for development) in a country that only recently emerged out of a protracted civil war. "The impact of information technology on economic and social development in Senegal" focuses on the importance of a liberalized and modernized telecommunication structure with a lowering of tariffs. The third case study, "The impact of information technology on Ethiopia", examines the problems Ethiopia faces on the road to developing an information technology infrastructure with particular emphasis on the needs of the rural population which constitutes the greater part of the population. The fourth case study, entitled "Empowering socio-economic development in Africa", concerns Nigeria.

29. Other recent publications and technical material prepared by the secretariat include issues of the Statistical Newsletter for 1996 and 1997; the African Statistical Yearbook, 1996 and 1997; Compendium of Intra-African and related Foreign Trade Statistics; Africa in Figures; and Directory of Statistical Data Processing Capacities and Databases in Africa.

30. In addition to co-sponsoring or organizing a number of workshops, conferences and seminars on information technology and statistical development, the secretariat offered technical assistance to a number of member States. These took the form of technical advisory services to public or private sector institutions in Ethiopia, Mozambique, the United Republic of Tanzania and Zambia as well as to the Association of African Universities (AAU). Advisory services in the area of statistics, database management and census cartography were also provided to Algeria, Botswana, Burkina Faso, Chad, Guinea, Mali, Mozambique, the Niger, Nigeria, Togo, Uganda and Zambia.

31. Implementing the African Information Society Initiative (AISI) is a major priority of the secretariat. AISI is an active framework to build, sustain and maintain information and communication infrastructure in Africa. Adopted by the Conference of African Ministers responsible for Economic and Social Development and Planning in 1996, the Initiative consists of five component areas, namely policy awareness; development of national information and communication infrastructure strategies and plans; Internet connectivity; training; and information content creation. The secretariat has developed strong partnerships with other institutions and

organizations to ensure effective implementation of the AISI.

32. ECA worked closely with the International Telecommunication Union (ITU), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Bank and FAO for the organization and convening of the Coordinating Committee of AISI in Addis Ababa, from 21 to 23 October 1996.

33. A workshop on international trade statistics was organized jointly by the secretariat and the United Nations Department for Economic and Social Information and Policy Analysis (DESIPA) for intergovernmental experts from ECA member States in Addis Ababa from 23 to 27 September 1996. It addressed the following topics: international trade statistics; concepts and definitions; the Harmonized Commodity Description and Coding System (HS); index numbers of international trade, etc.

34. ECA co-organized with UNDP two subregional seminars on the national potential of Internet. The first seminar was held in Libreville, Gabon from 18 to 20 March 1997 and participants came from the following countries of the Central African subregion: Cameroon, the Central African Republic, Chad, the Congo, the Democratic Republic of Congo (formerly Zaire), Equatorial Guinea, Gabon and Sao Tome and Principe. The second seminar, held in Abuja, Nigeria from 21 to 23 April 1997, was organized for the following English-speaking countries of West Africa: The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. The objectives of these subregional seminars were to allow Internet users in the subregions to share their experiences and evaluate progress realized to date; expose the participants to the various forms of services available through the Internet; and determine future actions to better support African countries in their efforts to develop Internet. Special emphasis was placed on sensitization and information for potential investors both at national and international levels.

35. In September 1996, ECA co-organized, hosted and serviced the first meeting of FAO's AFRICOVER Working Group on "geometry and cartography", whose objective is to provide the specifications and methodology leading to the establishment of a unified geodetic referential for the continent, enabling the integration and harmonization of spatial data spanning different countries. The meeting was attended by 16 African experts from the same number of countries, evenly geographically distributed, and with 10 international non-African experts. Main standards were agreed upon concerning datum and geodetic network and detailed technical specifications were developed for their implementation. Target beneficiaries are all national, subregional and regional institutions and individuals engaged in the formulation and implementation of development projects requiring maps and other forms of spatially geo-referenced data covering large regions. The results of the working group were unanimously endorsed by participant member States at the ninth United Nations Regional Cartographic Conference for Africa. The overall objective of the AFRICOVER project is to strengthen the capacities of African countries to manage their natural resources sustainability with particular emphasis on food security and environmental protection.

## Promoting regional cooperation and integration

36. The secretariat initiated various activities including studies in support of regional cooperation and integration process in Africa. Among the major studies undertaken under this programme were: assessment of trade liberalization schemes in the context of the Abuja Treaty: proposals for harmonization, rationalization and implementation of existing programmes; and follow-up on African/European Union relations with special emphasis on the proposed North African Free Trade Area. As a member of the joint OAU/ECA/-ADB Secretariat, ECA participated in the preparation of the working documents for the first ministerial session of the African Economic Community and its preparatory meeting of the Committee of Experts. Specifically, ECA prepared an issues paper entitled "Strategy and approach to the implementation of the Abuja Treaty establishing the African Economic Community".

37. Consultative missions were fielded to ascertain the views of member States, subregional economic communities and other partners on the rationalization of two categories of ECA institutions: the Multinational Programming and Operational Centres (MULPOCs) and the ECA-sponsored institutions. The MULPOCs are ECA's subregional offices located in the five subregions of the continent. The consultative missions prepared a report with proposals on the rationalization and strengthening of the MULPOCs focusing on the redefinition of their mandate, geographical coverage and their redesignation as subregional development centres (SRDCs).

38. The ECA-sponsored institutions consist of 30 institutions which are regional centres dedicated to capacity building in such fields as engineering and industrial technology; trade and

finance; economic and social development; cartography, mapping and remote sensing; and minerals and transport. The consultative missions endorsed the previous recommendations on rationalizing these institutions. As a sequel to the recommendations of the consultative missions, the institutions have been classified into three categories, namely those with which ECA will develop close partnership programmes in order to leverage resources and exploit synergies; those whose activities are still relevant to the needs of member States and for which they may wish to maintain their support; and those whose services are not in great demand and for which there is little support from member States and which should be closed.

39. The recommendations on the MULPOCs and the sponsored institutions were submitted to the thirty-second session of the Commission which endorsed the various proposals for the reform of these institutions.

40. An interim evaluation report, covering the implementation of the second United Nations Transport and Communications Decade in Africa (UNTACDA II) programme from 1995-1997 to the General Assembly was prepared. The objective of the report is to inform the General Assembly on progress made in the implementation of UNTACDA II. It included an overview of programme implementation at country, subregional, subsectoral, regional and international levels. It further underscores the existing problems in programme implementation and future prospects of the programme and calls for remedial actions from the key players and the General Assembly in support of the programme.

41. Four monographs were published which cover issues related to transport and communications. The first monograph, entitled "Private sector participation in transport and communications in Africa", analyzes the experiences of a sample of African countries in the process of reform in selected modes of transport and means of communication and identifies best practices as role models in order to provide useful lessons to those countries which will be considering similar reforms, and to increase private sector participation in the transport and communications sectors in Africa. The second monograph, "Environmental issues in transport and tourism sectors in Africa", identifies key environmental problems caused by the development of the transport and tourism sectors in Africa at country and subsectoral levels with a view to proposing appropriate measures to minimize the negative environmental impact and to sensitize member States on the need for efficient management of the environment in accordance with the objectives of the UNTACDA II programme. The third study, on "Road safety situation in Africa", is expected to create greater awareness and a common understanding of road safety problems as a multidisciplinary task for the formulation of a unified action plan. The fourth monograph is an assessment of the implementation of international transit facilitation along selected transport corridors in Africa.

42. In the minerals and energy sectors, the secretariat undertook various activities, including an expert group meeting, studies, technical assistance to member States and forging partnerships. The overall objectives of these activities were to promote sustained development of mineral and energy resources in Africa, through (a) promoting cooperation and integration; (b) facilitating policy decision and dissemination of best practices; and (c) supporting capacity building.

43. An ad hoc Expert Group Meeting on "guidelines for natural resources and energy development in Africa with emphasis on privatization and deregulation" was organized for national experts such as engineers, surveyors and planners and policy makers. The aim was to promote a holistic and multi-disciplinary approach with the view to assisting member States not only in avoiding some of the pitfalls encountered in the ownership and regulatory reform process, but also to presenting core elements of successful integration of private and public interests for the effective exploitation of Africa's natural resources and energy. The meeting resulted in guidelines which, if adopted by member States, would reinforce private participation in natural resources and energy development and use in Africa.

44. The major monographs undertaken during the period under review included: study on privatization and the African minerals and energy industries in Africa; case study of policies for promoting sustainable energy economy in Southern Africa; and study on the role of renewable energy technologies in the energy efficiency and conservation programme in selected African countries.

45. The secretariat provided technical assistance to member States and their intergovernmental organizations. This included advisory missions on: (a) the development of the 1996-1997 programme budget and the formulation of a strategic vision, for the Eastern and Southern African Mineral Development Centre (ESAMRDC); (b) the restructuring of the national survey

department of the Republic of Equatorial Guinea; (c) the preparation of a small-scale mining operations forum of the member countries of the Liptako-Gourma Authority (Burkina Faso, Mali and the Niger); (d) the design and launching of a project on solar energy use for rural electrification in the Republic of Benin; and (e) the establishment of the energy programme of the West African Economic and Monetary Union.

46. A number of joint activities with other agencies were undertaken in connection with the implementation of the UNTACDA II programme, namely meetings of subsectoral working groups on urban and road transport; ad hoc expert group meeting on restructuring parastatal organizations and governmental institutions and financing policies and practices in transport and communications in Africa; first meeting of the advisory committee on (UNTACDA II) programme promotion; and third African road safety congress. Advisory services were provided to Nigeria and the member States of the Central African Customs and Economic Union (UDEAC) on the harmonization of data in transport activities and the preparation of harmonized navigation regulations in the field of inland waterway transport, respectively. As member of the steering committee, ECA participated in the eleventh Road Maintenance Initiative (RMI) and the Rural Travel and Transport Programme (RTTP) held in Kampala, Uganda, in December 1996, in order to consider progress achieved in the implementation of the two programmes which are components of the joint ECA/World Bank Sub-Saharan African Transport Programme (SSATP).

47. Partnerships in the minerals and energy sectors took the form of enhanced cooperation with other United Nations agencies and departments as well as the World Bank, OAU, the African Development Bank (ADB) intergovernmental and non-governmental organizations. ECA participated in and/or contributed to: (a) the MIGA/World Bank's African mining investment and business opportunities conference; (b) the sub-Saharan oil and mineral conference; (c) the inter-agency meeting between OAU and ADB on the establishment of an African Energy Unit; (d) the global conference on small/medium-scale mining; and the World Energy Council Regional Forum.

### Promoting women in development

48. Promoting the advancement of women in Africa continued to be a major priority in ECA's work programme. ECA conceives and perceives its roles in this area as threefold: as an advocate, promoting the mainstreaming of gender issues in development activities of member States; as a catalyst, monitoring and reporting on the implementation of globally and regionally agreed plans and strategies for the advancement of women; and as a facilitator, assisting member States to implement policy measures and actions for the advancement of women.

49. The following publications were issued: "Women and peace process: Perspective from Africa", presented at the ad hoc Expert Group Meeting/Women Leadership Forum on Peace in Johannesburg, South Africa, in November 1996; "Traditional and cultural practices harmful to the girl child: A cross-sectional review"; and "A manual on gender and mainstreaming". Other publications that are in progress include "A guide for legal literacy"; an up-dated version of "Roster of African Women Experts" and the "Directory of Women/Gender National Machineries".

50. During the period under review, the secretariat organized, co-sponsored or participated in a number of meetings, conferences and seminars relating to women in development and peace. These included the subregional meetings of the Africa Regional Coordinating Committee for the Integration of Women in Development, a training seminar on leadership skills development for women in Addis Ababa, in September 1996; ad hoc Expert Group Meeting/Women Leadership Forum on Peace in Johannesburg in November 1996 and the Pan-African Conference on Peace, Gender, Equality and Development held in Kigali, Rwanda in March 1997. An expert group meeting on gender networking was planned to be held in Addis Ababa in June 1997. A number of projects aimed at strengthening the leadership position, improving network, and enhancing the entrepreneurial skills of women in Africa are being implemented under the Africa Leadership Fund for Women established at the African Centre for Women at ECA.

### Implementation of the United Nations System-Wide Special Initiative on Africa

51. The United Nations System-wide Special Initiative on Africa (SIA) was launched in March 1996 to enhance United Nations support for African development by strengthening coordination and creating synergy within the system. The ACC Steering Committee on the SIA, which is co-chaired by the ECA Executive Secretary and the Administrator of UNDP, monitors and evaluates the implementation of the Initiative. A joint ECA/UNDP secretariat is responsible for carrying

out the day-to-day functions of the Steering Committee.

52. As part of its secretariat functions, ECA formulated a communications strategy on Africa which includes a range of outreach activities. The strategy is designed to keep the key SIA partner agencies and stakeholders informed of activities under the SIA, ensure inter-agency coordination, stimulate African ownership for the SIA and sustain the political commitment of all actors to the SIA. The strategy was discussed and endorsed by the sixth ACC Steering Committee at Geneva in April 1997. A communications working group meeting is planned for July 1997 to jump-start the implementation of coordinated outreach activities proposed under the strategy.

53. In March 1997, the Executive Secretary convened an SIA Working Group Meeting at ECA where partners deliberated on a number of important cross-cutting issues - country eligibility, resource mobilization, gender and population mainstreaming - as well as practical implementation issues in the education, health and water clusters. The meeting was instrumental in facilitating technical discussions and advancing a common understanding among SIA partners on these key issues prior to the sixth ACC Steering Committee.

54. The meeting endorsed sector investment programmes as the preferred modality for SIA country assistance in the education, health and water sectors. On country eligibility, a consensus was reached that while all countries would be eligible for assistance under the SIA, the nature and scope of assistance would depend on country readiness to implement sector-wide programmes. On resource mobilization, there was broad agreement that the focus under the SIA should be on managing existing resources more efficiently and on building national consensus on the policy front.

55. In addition to its secretariat functions, ECA also has a leadership role in implementing four clusters under the SIA. In the area of governance, ECA, with UNDP, sponsored the NGO/CSO Consultation on Governance in Africa in Addis Ababa in May 1997. This meeting is to be followed by the NGO Forum in Addis Ababa in July 1997 to review governance programmes in Africa and mobilize resources for their implementation. That forum will be attended by African Governments, OAU, ADB, regional institutions and representatives of donor institutions.

56. In the area of "strengthening civil society participation in development", ECA will establish an NGO resource centre to support and expand the capacity of NGOs in development and peace-building. A technical report on the establishment of the centre, including a comprehensive plan on how its activities would be harmonized with similar efforts within the context of the SIA, has been completed. As part of the work in this cluster, ECA published a sourcebook on African NGOs and people organizations consisting of more than 3,000 entries.

57. In the area of harnessing information technology for development, an agreement has been reached to use the framework of the AISI as the modality for implementing the objective of the SIA. The AISI was launched in 1996 based on a plan of action approved by the ECA Conference of Ministers for elaboration and implementation of national information and communication infrastructure plans. At an inter-agency consultation that took place at ECA in October 1996, agreement was reached on the distribution of tasks and responsibilities among agencies. The immediate focus of the AISI is promoting Internet connectivity in Africa. The number of African countries with Internet connectivity has now reached 35.

58. ECA, in collaboration with SIA partners, is also co-leading the SIA programme cluster on "partnership with Africa through south-south cooperation". Building on its coordinating responsibilities in Africa, the secretariat put together a work programme on south-south cooperation with a focus on fostering interregional linkages, facilitating linkages at the national level; exploring approaches to fostering linkages within Africa, and promoting the use of electronic linkages for south-south cooperation.

# CHAPTER III

# THIRTY-SECOND SESSION OF THE COMMISSION AND TWENTY-THIRD MEETING OF THE CONFERENCE OF MINISTERS

## A. Attendance and organization of work

59. The thirty-second session of the Commission/twenty-third meeting of the Conference of Ministers responsible for Economic and Social Development and Planning was held in the United Nations Conference Centre, Addis Ababa, Ethiopia, from 5 to 8 May 1997. The meeting was formally opened by H.E. Dr. Kassu Yilala, Deputy Prime Minister of the Federal Democratic Republic of Ethiopia. The Secretary-General of the United Nations sent a message which was read to the Conference. Statements were also delivered at the opening ceremony by Mr. K.Y. Amoako, Executive Secretary of the Economic Commission for Africa, H.E. Ambassador Vijay S. Makhan, Assistant Secretary-General of the Organization of African Unity (OAU) and Mr. Ferhat Lounes, Vice-President of the African Development Bank. Honourable Mapopa Chipeta, Minister of Agriculture and Livestock Development of Malawi and outgoing Chairman of the thirty-first session of the Commission/twenty-second meeting of the Conference of Ministers made some opening remarks.

60. The meeting was attended by representatives of the following member States of the Commission: Algeria, Angola, Benin, Burkina Faso, Burundi, Cameroon, the Central African Republic, Chad, the Congo, Côte d'Ivoire, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Ghana, Guinea, Kenya, Lesotho, Liberia, the Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, the Sudan, Togo, Tunisia, Uganda, the United Republic of Tanzania, Zaire, Zambia and Zimbabwe.

61. Observers from the following Member States of the United Nations were present: Belgium, China, France, Germany, Indonesia, Ireland, Italy, Japan, Norway, Palestine, Republic of Korea, Russian Federation, Spain, Turkey and the United States of America.

62. The Holy See and Switzerland, not Members of the United Nations, were also represented.

63. The following United Nations bodies and specialized agencies were represented: United Nations Department of Policy Coordination and Sustainable Development (DPCSD/OSCAL), United Nations Regional Commissions New York Office (RCNYO), United Nations Children's Fund (UNICEF), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Institute for Training and Research (UNITAR), Office of the United Nations High Commissioner for Refugees (UNHCR), World Food Programme (WFP), International Labour Organisation (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization (WHO), World Bank, International Monetary Fund (IMF), Universal Postal Union (UPU), International Telecommunication Union (ITU), World Meteorological Organization (WMO) and United Nations Industrial Development Organization (UNIDO).

64. The Organization of African Unity (OAU) and the African Development Bank (ADB) were represented.

65. Observers were present from the following intergovernmental organizations: Association of African Trade Promotion Organizations (AATPO), African Centre for Applied Research and Training in Social Development (ACARTSOD), African Centre of Meteorological Applications for Development (ACMAD), African Centre for Management Publishing (ACMP), African Centre for Monetary Studies (ACMS), Arab Maghreb Union (AMU), African Organization for Cartography and Remote Sensing (AOCRS), African Regional Centre for Technology (ARCT), African Regional Organization for Standardization (ARSO), African Centre for Administrative Training and Research for Development (CAFRAD), Common Market for Eastern and Southern Africa (COMESA), Eastern and Southern African Management Institute (ESAMI), European Union (EU), African Institute for Economic Development and Planning (IDEP), Institut de formation et de recherche démographiques (IFORD), League of Arab States (LAS), Regional Centre for Services in Surveying, Mapping and Remote Sensing (RCSSMRS) and Regional Centre for Training in Aero-space Surveys (RECTAS).

66. Observers were present from the following non-governmental organizations: Global Information Infrastructure Commission (GIIC) and Investment Promotion Centre (IPC).

67. The Conference elected the following officers:

Chairman: Uganda
Hon. Richard H. Kaijuka, Minister of Planning and Economic Development

First Vice-Chairman: Tunisia
S.E. M. Moncef Ben Abdallah, Secrétaire d'Etat chargé des participations publiques

Second Vice-Chairman: Burkina Faso
S.E. M. Ablasse Ouedraogo, Ministre des affaires étrangères

Third Vice-Chairman: The Congo
Mme Marie Mbounzi, Premier Conseiller)

Rapporteur: South Africa
Mr. Johan Van Rooyen, Deputy Director, Department of Foreign Affairs

## B. *Agenda*

68. On 5 May 1997, the Conference adopted the following agenda:

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda and organization of work.
4. **High-level panel discussion on**: Accelerating trade and investment in Africa.
5. Consideration of the report and recommendations of the eighteenth meeting of the Technical Preparatory Committee of the Whole (TEPCOW).
6. **Special presentation events**: Meeting the challenges of national information and communications infrastructure planning with public and private sector cooperation:
    (a) Public and private sector cooperation in building the national information infrastructure;
    (b) Symposium on: Using information and communications technology to facilitate trade and investment in Africa.
7. Any other business.
8. Adoption of the report.
9. Closure of the meeting.

## C. *Account of proceedings*

### *Opening addresses*

69. In his opening statement, H.E. Dr. Kassu Yilala, Deputy Prime Minister of the Federal Democratic Republic of Ethiopia, welcomed participants to Addis Ababa and to the twenty-third meeting of the Conference of Ministers. He said that this forum had always provided member States the occasion to review the economic and social conditions in the continent and to deliberate on ways and means of addressing the economic and social challenges that Africa faced. He underlined the importance of this year's Conference theme "Accelerating trade and investment in Africa" and noted that the Conference provided a unique opportunity to exchange views on some of the critical economic, trade, investment, information and other related challenges facing Africa. He urged participants to take joint and collective measures to ensure sustainable growth and development for Africa.

70. The Deputy Prime Minister noted that the process of renewal of the Economic Commission for Africa had been launched and wished to see the reform fully completed so that the Commission could be fully effective in assisting Africa to overcome the development challenges facing it. Noting that there was renewed hope about possibilities for growth and development, he said that the general economic situation in Africa in terms of gross domestic product (GDP) growth had improved since 1994. That was encouraging especially in the light of the lost opportunities for Africa in the 1980s. Those developments were a clear demonstration that Africa was emphatically not a place of gloom and doom as often portrayed in the international mass media. Emphasis on Africa's achievements and successes was needed, because the wrong image of Africa abroad has great implications for resource flows into the continent.

71. The Deputy Prime Minister, however, cautioned against complacency. The challenges facing Africa were so immense that African countries needed to pursue their efforts to save the continent from economic marginalization, promote sustainable development and ensure a bright future for their peoples. In that regard, the debt overhang, despite some of the positive steps that had been taken by the international community, still remained the most difficult challenge for sustainable development in the continent. He urged African Governments to continue, individually as well as collectively, to call for more effective and swifter means of reducing the debt burden and the debt-servicing obligations faced by African countries. He observed that Africa's ability to participate effectively in the world economy would continue to remain limited unless the debt burden was dealt with in a realistic and effective manner.

72. The Deputy Prime Minister reminded the Conference that only through economic cooperation and integration and increased competitiveness could Africa overcome the economic challenges it was facing and thus avoid economic marginalization. He recalled Ethiopia's attachment to the goals of the African Economic Community which would strengthen economic cooperation and integration as well as enhance competitiveness of African countries.

73. In a message read on his behalf by the Executive Secretary, Mr. K.Y. Amoako, the Secretary-General of the United Nations, Mr. Kofi Annan, observed that the African continent was currently at a crossroads, with better prospects for development, as evidenced in economic reforms and growth; a growing dynamism of the private sector and civil society; and the consolidation of democratic rule in many countries. At the same time, there remained many conflicts and a great deal of strife. He remarked that African Governments had a major and enduring responsibility to strive for peace and prosperity. In such efforts, he asserted, the African continent would find the United Nations a steadfast partner through its programmes of peace-building; humanitarian assistance; and economic analyses, technical assistance and regional cooperation. He said that ECA had been and would continue to be an important agent in Africa's development.

74. The Secretary-General emphasized that the United Nations was committed to an active partnership with Africa to achieve sustainable development of the continent in accordance with the region's own priorities and aspirations. In that regard, he underlined his strong personal commitment to the realization of the objective of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF). He also emphasized his commitment to using the United Nations Special Initiative on Africa as a vehicle for mobilizing and harmonizing the assistance of the United Nations agencies in the implementation of the New Agenda. He reminded the Conference that ECA was playing an active role in those efforts.

75. The Secretary-General said that the theme of the Conference "Accelerating trade and investment in Africa" was important and timely. Noting that trade and investment were major engines of growth and development, he hoped that the deliberations would address the decline in Africa's share of trade and lead to increased access to foreign direct and portfolio investment. He observed that public-private partnership was key to stimulating investment and overall economic growth, and increased collaboration with the private sector was seen by the United Nations as an important means to enhance sustainable development.

76. The Secretary-General congratulated the Commission for organizing a special event on the role of information and communications technology in facilitating trade and investment at this session. He hoped that the event, featuring presentations by the Global Information Infrastructure Commission (GIIC), would provide an opportunity for interaction between senior government officials and private sector economic and information operators. He stressed that the United Nations system must assist the developing nations in the harnessing of the information technology for their benefit.

77. In conclusion, the Secretary-General noted with satisfaction that this year's Conference embodied key features of what a reformed United Nations must become focused on - assisting Member States in the strengthening of development and promoting the active involvement of civil society in the development process.

78. In his statement, the Executive Secretary, Mr. K.Y. Amoako, welcomed participants to the thirty-second session of the Commission/twenty-third meeting of the Conference of Ministers responsible for Economic and Social Development and Planning. He expressed his appreciation to member States that had responded to his invitation to this meeting with great interest, so soon after the recently held meeting of the Conference of African Ministers of Finance. That reflected their commitment to and interest in the

Commission's work. He thanked the Deputy Prime Minister of the Federal Democratic Republic of Ethiopia for his inspiring opening address and expressed his deep appreciation to the Government and people of Ethiopia for their hospitality to the participants of ECA's conferences and for their strong support for the Economic Commission for Africa.

79. The Executive Secretary recalled that the Conference, at its last session in May 1996, had approved the new strategic directions of the Commission and had authorized him to undertake its implementation. He said that three principles had guided the reform and renewal of the Commission. These were strategic focus, cost-effectiveness and effective partnerships. He informed the Conference that the first two principles had been fully reflected in the managerial and organizational reforms undertaken in the past one year. He informed the meeting that the organizational restructuring of the ECA secretariat had been completed and that the work programme for 1997 had also been revised in line with the new strategic directions and in consultation with members of the Bureau of the Conference, as directed by the Conference of Ministers. ECA's senior management team had been revamped and high-calibre individuals recruited for their intellectual, technical and managerial excellence. He said that the programme of work for 1997 and the proposed 1998-1999 biennial work programme of the Commission fully embodied several of the new modalities for programme implementation. These included fewer reports, fewer but more productive meetings, improved quality of documents, periodic surveys to measure client satisfaction, enhanced media and communications strategy for ECA's work and greater use of policy forums to share experiences and best practices.

80. The Executive Secretary said that he would, at this session, be seeking the endorsement and approval of the Conference on three other issues of institutional reform. These were the streamlining of the Commission's intergovernmental machinery; the rationalization of the ECA-sponsored institutions; and the strengthening and rationalization of the Multinational Programming and Operational Centres (MULPOCs). He said that these changes would complement the reforms started the year before and strengthen ECA's service capacity to member States.

81. Noting that the prospects for development in Africa were much brighter now than they had been in the past several years, he said that reform-minded leaders and dynamic governments were creating an enabling environment which promoted investment and entrepreneurial and private sector development. To foster and nurture these positive trends required perseverance and commitment in the promotion of economic growth and development, in general, and in accelerating trade and investment, in particular. He stressed that a policy framework to promote increased investment in Africa must address issues relating to the political climate; a conducive economic policy framework; increased private savings; attracting foreign investment; and enhanced regional co-operation and integration.

82. As regards trade expansion, the Executive Secretary urged African countries to increase their participation in world trade and international exchange of resources, through enhanced international competitiveness in world markets. This was necessary to mitigate the effects of Africa's increasing marginalization in world trade. Moreover, in light of the weakening of traditional sources of development support, financing additional investment to spur vigorous growth and reduce poverty in Africa was now an emerging conspicuous challenge facing the continent. He informed the meeting of TEPCOW's conclusion that all policies that promoted domestic savings and the growth of local enterprise tended to enhance African countries' attraction for increased foreign investment flows. The general consensus was that a business-oriented development policy framework was essential to attracting foreign investors and strengthening private sector development. To this end, African Governments must play a supportive role particularly in the promotion of exports, the establishment of export processing zones (EPZs), the elimination of infrastructural and transport constraints as well as bureaucratic red tape and other regulatory barriers to production.

83. The Executive Secretary noted with satisfaction that African countries were committed to becoming competitive in the world market, and were being recognized by the international community as potential emerging markets rather than aid-dependent disasters. Some African countries had opened up their stock markets to foreigners. There were encouraging signs of growing interest in portfolio investment. Since 1994, more than 12 Africa-oriented funds had been set up. The rates of return on foreign direct investments (FDI) had generally been much higher in this region than in the rest of the developing world. During 1990-1994, rates of return on FDI in sub-Saharan Africa averaged 24-30 per cent, compared to 16-18 per cent for all developing countries. These were indeed promising developments. However, the

Executive Secretary reminded the Conference that there were millions of Africans still suffering and living in civil strife or in war-torn conditions. This untold human suffering must not be forgotten. He said that it was "no longer good enough to cry peace, Africa's peoples must act peace, live peace and live in peace".

84. Referring to the agenda of this year's Conference, the Executive Secretary indicated that the special event, "Meeting the challenges of national information and communications infrastructure development in Africa", was planned in conjunction with the Global Information Infrastructure Commission. The discussions at its special event would cover two key issues: national information and communications infrastructure planning and policy development; and concrete requirements for the private sector to invest in information and communications infrastructure in African countries. He hoped that both the special and the high-level panel discussion on the theme of the Conference would stimulate participatory discussions, candid exchange of views, a real dialogue on these important matters and the identification of best practices.

85. The Executive Secretary said that ECA's institutional reform and renewal would enable it to address adequately the issues of promoting trade and investment in order to boost development and alleviate poverty. In collaboration with its partners, ECA would assist African Governments to formulate and implement policies, promote investment and support privatization efforts through the dissemination of best practices. ECA would also support the African Capital Markets Forum; assist African countries to develop and use their institutions and to expand and diversify exports and facilitate enterprise development; help countries identify opportunities arising from the Uruguay Round Agreement, facilitate understanding of the multilateral system and analyze new and emerging issues on the international trade agenda from an African perspective; promote and strengthen subregional trading and payment arrangements; and advise and encourage African Governments to adopt policies that promote an information and communications infrastructure by coordinating the African Information Society Initiative, making development information available through new information technologies.

86. The Executive Secretary promised that ECA would undertake these tasks with determination and humility. ECA was also seeking synergies with African intergovernmental organizations, the United Nations bodies and specialized agencies, donor countries, African universities, research centres and civil society groups. Most of the collaboration would involve research, advisory services, sponsorship of seminars and workshops, data exchange and advocacy. He said that in these times of declining resources for development assistance, pooling efforts and coordinating diverse activities was a cost-effective approach and ultimately would be better for Africa.

87. In conclusion, the Executive Secretary informed the Conference that the Commission will be 40 years old in the coming year. He indicated that ECA was planning to organize a special event in honour of African women for the role they were playing in the social and economic development of Africa. The theme of the event will be **African Women and Development**. He invited all participants and other African leaders, opinion makers, and civil society representatives to attend those anniversary celebrations.

88. H.E. Ambassador Vijay S. Makhan, Assistant Secretary-General of OAU said that OAU, being the secretariat of the African Economic Community, was pleased to participate in the Conference. He reiterated OAU's commitment to further strengthen the existing close cooperation with ECA, particularly towards the fulfillment of the mandate of the Abuja Treaty. He informed the meeting that the Abuja Treaty had been fully launched through the first meeting of the Economic and Social Commission of the African Economic Community in Abidjan in November 1996.

89. The Assistant Secretary-General drew the attention of the Conference to the adverse impact on African economies of certain important events unfolding in the world. He referred to the Uruguay Round Agreement and the decisions of the World Trade Organization (WTO), which did not augur well for the preference-based African exports in the face of global liberalization. The new arrangements, he observed, presented challenges for the African economies to strengthen their capacity to compete in the global markets, not only for exports but also for global resources, particularly investment and technology flows. He urged African countries to brace themselves for the impact of globalization and to participate actively in all trade related fora to extract necessary WTO technical assistance packages. Further, he advised African countries to explore alternative and emerging markets and monitor legislative changes in the trade regulations of their current and prospective partners. He also noted with concern the imminent expiry of the African, Caribbean and Pacific Group (ACP) Convention in February 2000 and the implications of the follow-up accords for the signatories of the Lomé

Convention. He informed the Conference that those issues would be addressed comprehensively at various forthcoming fora in the next few months.

90. The Assistant Secretary-General referred to the theme of the Conference "Accelerating trade and investment in Africa", and observed that improvement in investment portfolio and trade patterns was difficult under the prevailing situation of conflict and security. He underlined, in this regard, the importance of durable peace in the region as an essential prerequisite for development. He reiterated the importance of intra-African trade and development and the implementation of relevant strategies, particularly at the subregional level. He also emphasized the need for developing sound policies, institutional frameworks, particularly the regulatory environment, the banking system, the monetary regime, the marketing strategies and incentives, the physical infrastructure (roads, telecommunications, power supply, etc.), the enhancement of the continent's productive capacity in respect of new product lines and Africa's competitiveness, etc., in order to accelerate trade and investment in the region.

91. Regarding investment, the Assistant Secretary-General stressed the need to mobilize domestic resources and to attract FDI; the former through building and strengthening of the indigenous private sector and the latter through corrective image-building and the creation of positive perceptions about the continent as well as the provision of appropriate safeguards and guarantees to foreign investors. He considered financial market development and integration as important to mobilize domestic and external resources and informed the Conference that OAU was organizing a "Forum on the Promotion of Financial Market Integration and Financial Market Development" in Mauritius in July 1997.

92. Finally, the Assistant Secretary-General noted with satisfaction the strengthening and revitalization of the ECA-MULPOCs, in accordance with the priorities of the subregions. The Subregional Development Centres could be important instruments for facilitating continental integration within the context of the Abuja Treaty. He also expressed satisfaction at the recommendation of TEPCOW on the rationalization of the ECA intergovernmental machinery. He expressed confidence that the Joint OAU/ECA/ADB Secretariat will continue to actively cooperate with the various relevant ECA Committees in order to coordinate further the work of the OAU/African Economic Community and hoped that ECA and its intergovernmental machinery would be able to provide technical support to the Community apparatus to attain the goals of the Abuja Treaty.

93. In his statement, Mr. Ferhat Lounes, Vice-President of the African Development Bank (ADB), congratulated the Economic Commission for Africa for the timely initiative in devoting this annual session to the theme "Accelerating trade and investment in Africa". He also expressed his sincere thanks for the opportunity to continue the involvement and collaboration of ADB with OAU and ECA for the betterment of African countries. He dwelt on the following fundamental issues: the interrelationships between trade and investment; the importance of export expansion in the process of economic growth; the status of Africa's competitiveness in the international market; Africa's opportunities and challenges in view of the post-Uruguay Round system of trade; and the policy implications of these issues.

94. Examining the interrelationships between trade and investment, the Vice-President said that while investment was essential for increasing output, including exportable products, it was the foreign exchange proceeds from exports that finance the import content of investment and consumption and the repayments of previous debts. He observed that international trade mattered because changes in exports and imports had direct bearings on the volume of investment and the growth performance of any open country and hence, on the livelihood of its people. Indeed, there was a causal link between investment, export performance growth and livelihood. The ability of African countries to expand their exports rested crucially on their international competitiveness.

95. The Vice-President observed that in the global market place, many African countries had been trailing behind on all aspects of competition, resulting in substantial losses in the markets of traditional exports and in total export market shares. Africa had lost market shares - mainly to Asian countries, in cocoa beans, coffee and timber; to Latin America, in iron ore; and to Europe, in cotton. During the period 1970 to the mid-1990s, deterioration in Africa's market shares could also be detected for all other major commodities such as coffee, rubber, timber, iron ore and copper. Those losses in market shares were attributable to the lack of competitiveness at both the price and non-price fronts. He said the macroeconomic reforms currently underway in the majority of African countries had been mainly directed to improve price competition through currency devaluation and demand management

policies. Now, it was time to devote increasing attention to improving the aspects pertaining to non-price competition, which encompassed all those factors, other than price, that affected a country's market share. The Vice-President said that the fact that shares of traditional exports in total world exports were shrinking relative to the shares of other commodities implied that as world income grew, a smaller proportion of that income growth would be devoted to the purchase of those primary commodities.

96. Turning to trading opportunities in the post-Uruguay Round context, he urged African countries to expand their production of more sophisticated goods - as opposed to primary products. In the post-Uruguay Round trade system, global income would increase by about US$250 billion, of which $80 billion a year would accrue to developing countries. However, he observed that the income dimension of global competition was more likely to result in an inequitable distribution of welfare gains. African primary commodity producing countries were more likely to be among the least to benefit from the expected trade expansion and global income growth. The fastest growth of trade from the Uruguay Round was expected to occur in manufacturing rather than in primary commodities. Therefore, for the African continent to improve its export performance through increased competitiveness in the global market arena, major structural changes would be necessary.

97. Mindful of the need for each African country to adopt policies and strategies suited to its unique circumstances, the Vice-President urged the Conference to consider the following five broad strategic axioms in meeting Africa's development challenge. These included: the need to draw on Africa's cultural attributes to promote its development culture; the need to adopt visionary planning; the use of agriculture as the take-off base; the orientation of regional integration from a trade- to a production-focused approach; and the adoption of a "piecemeal approach" to transform Africa's production towards more industrialization. He stressed the importance of the piecemeal approach. The main justification for advocating such approach was that the process of transformation through industrialization requires huge investment in infrastructure. And second, the effective application of country-wide export incentives, such as tax rebate systems requires a high level of technical and administrative capacity. He noted that variants of that piecemeal approach had been successfully implemented by some developing countries in Asia and Africa. In Africa, Mauritius engineered major impetus to growth, through the promotion of an export processing zone (EPZ) which relied heavily on manufacturing exports and foreign investment. During the last decade, the output growth in EPZ averaged about 19 per cent while the Mauritian economy grew at an average real rate of 8 per cent.

98. The Vice-President of ADB concluded by postulating that the path to recovery lay not only in the pursuit of adjustment but also in the quest for economic transformation. That required African nations to take up the challenge of processing locally, aiming to advance, within a carefully conceived national or regional strategic vision, certain manufacturers into a renowned market centre. That process was governed basically by two rules: the development of man-made comparative advantage as opposed to nature-given comparative advantage and the promotion of high quality products. Economic transformation required, among many other factors, steady and adequate financial resources to tide the continent over the initial phases of change. He called upon the international community to take resolute actions to support the transformation efforts and development prospects of African countries.

99. Honourable Mapopa Chipeta, Minister of Agriculture and Livestock Development of Malawi, on behalf of the outgoing Chairman of the thirty-first session of the Commission, expressed his gratitude to the host country, Ethiopia, and the rest of the Bureau.

100. The Minister also stressed the importance and relevance of the theme of the Conference. He urged the Conference to debate thoroughly the issue and propose remedial recommendations for the benefit of all the countries of the region, especially in the light of insignificant flows of FDI to Africa.

101. The Minister briefed the Conference on the reformulation of ECA's 1997 work programme, the development of the 1998-1999 work programme and the associated priorities in accordance with last year's Commission resolutions. He expressed satisfaction at the programme reformulation process and also noted with satisfaction the organizational restructuring being implemented at ECA. The Minister expressed hope that the Commission's medium-term plan would be accomplished satisfactorily, in line with ECA's new strategic directions. The Minister also noted with satisfaction the revitalization of ECA-MULPOCs through redeployment of significant ECA resources (over 25 per cent) to them. The

Minister also briefed the Conference on proposals to rationalize the Commission's intergovernmental subsidiary bodies as well as the ECA-sponsored institutions, as debated by TEPCOW. He commended the Commission's effort in preparing reform and restructuring proposals.

102. The Minister equally emphasized the role of the regional economic communities and stressed that ECA should harness their efforts and ensure collaborative actions to achieve regional integration through the Abuja Treaty and the establishment of the African Economic Community.

High-level discussion on: Accelerating trade and investment in Africa (agenda item 4)

103. The discussion of the item was led by a panel composed of representatives from ECA, the World Bank, UNCTAD and the Center for Global Trade Analysis of Purdue University. There was consensus that trade and investment were complementary and that both were essential components in any credible strategies to accelerate Africa's development. Participants expressed optimism about Africa's development prospects. Among the causes of such optimism were the implementation by a large number of African countries of economic and social policy reforms which were leading to improved economic performance in a good number of countries; the growth of the private sector; the greater role of markets in resource allocation; and increased interest in Africa by foreign investors.

104. Participants underlined the importance of trade and investment for Africa's economic growth and development. There was consensus that the over-arching objective of development was the eradication of poverty. In that regard, it was emphasized that the promotion of trade and investment in Africa would contribute to the objective of poverty reduction by providing opportunities for increased employment and income. Participants stressed the need for a broad-based pattern of development and equitable sharing of the fruits of growth aimed at poverty reduction.

105. Participants stressed the need to achieve high domestic savings and investment rates in Africa in order to sustain accelerated growth and development. It was observed, however, that domestic savings and investment rates had remained very low, particularly in some sub-Saharan African countries. Countries, therefore, needed to take measures to boost domestic savings, stimulate investment (both indigenous and foreign) and increase efficiency in the use of capital.

106. Participants noted that many impediments still hampered Africa's development efforts. These included instability created by civil strife and civil wars in some countries, continuous pressure exerted by the external debt overhang, as well as the burden of domestic debt. They also observed that national development strategies in African countries had often failed to reflect cultural dimensions in development. It was further noted that the lack of an industrial culture was a limiting factor in the region's development. It was recognized that many African countries had made encouraging progress in establishing democratic rule, good governance, increased transparency, administrative efficiency and that they had taken measures to increase human security.

107. Participants recognized the importance of Africa's increased participation in world trade and finance. They regretted, however, that Africa's access to foreign investment and its share of world trade had declined to insignificant levels. They noted, for example, that global FDI flows, in 1995, amounted to approximately US$315 billion, of which a mere $4.7 billion came to Africa. That contrasted with the flows of $37.5 billion to China, $4.5 billion to the Republic of Korea, $5.8 billion to Malaysia and $5.3 billion to Singapore. Those figures reflected Africa's marginalization in global flows of investment.

108. Participants attributed the minuscule flows of foreign investment to Africa to a number of reasons. Prominent among them were the negative perception of Africa as a high-risk continent due largely to political instability created by civil strife, but also media coverage that focused mostly on negative events in Africa; poor infrastructure, including inadequate and unreliable communication systems, poor transport networks, and unreliable power and water supply; and unskilled labour. Furthermore, the inadequacy of the legal and regulatory environment coupled with excessive state intervention in some countries discouraged potential investors, both local and foreign. Cumbersome administrative procedures, corruption and the lack of appropriate forums to address those problems also discouraged potential investors in some countries.

109. To attract private investment, therefore, participants emphasized a number of basic prerequisites. These included an effective partnership between the public and private sector; a predictable investment climate characterized by political and social stability; a sound and stable macroeconomic framework; creation of a business-friendly environment; development of adequate infrastructure; modernization of administrative and

customs procedures; increased access to the information networks; and fully integrated subregional and regional markets to increase economic space for investors. An efficient banking system and a well-motivated and highly skilled workforce were considered essential for stimulating private investment. Participants also emphasized that governments had a responsibility for facilitating the channelling of investment to the least developed areas of their countries. They cautioned, however, that economic liberalization alone did not guarantee increased flows of investments into the region.

110. Many participants shared their countries' experiences in creating a private investment-friendly environment. They indicated that their countries had improved their legal and regulatory environment by revising their investment and labour codes to make them more attractive. They had also established investment promotion agencies as one-stop centres to reduce transaction costs. Capital markets (stock exchanges) have also been created in many countries to support those efforts. Most countries had decontrolled prices, lowered corporate tax rates, created export processing zones and lifted restrictions on repatriation of dividends and profits. In some countries, those measures had been complemented by active privatization in some key sectors such as telecommunications, water and electricity, as well as improved customs clearance.

111. Participants recognized the importance of indigenous businesses, including small and medium enterprises, in boosting trade and investment. The Conference underlined the need for countries to take measures to strengthen their role in the areas of manufacturing, agriculture and even in the development of infrastructure and delivery of services.

112. With respect to trade, participants observed that Africa's marginalization in world trade was marked by a loss of market share from 6 per cent in the 1960s to a mere 2 per cent in 1995. Participants noted that Africa faced a dilemma in participating in world trade. At the same time, Africa's export capacity had been hampered by poor trade and marketing promotion strategies and weak information and negotiating capacities. African countries also lacked the required resources to put in place the basic infrastructure that would allow them to compete effectively in the world market.

113. It was noted that, on one hand, the region encountered several barriers, namely the heavy dependence on a narrow range of export commodities; low competitiveness of the region's economies in the global market; weaknesses in African economies' supply response; poor trade promotion policies; weak negotiating capacities as well as the lack of effective participation of most countries in multilateral trade negotiations; precluding them from effectively participating in the world trading system. On the other hand, Africa's efforts in penetrating world markets had been frustrated by the erection of trade barriers to its exports by some of its trading partners.

114. Participants noted that Africa faced the triple challenges of post-Uruguay Round globalization and liberalization, which entailed vastly intensified competition for export markets and shrinking trade preferences; the widening coverage of multilateral rules-based global trade system under the WTO; and the growing importance of regional trading blocs. The Conference recognized the continuing importance of trade preferences under the Lomé Convention and the Generalized System of Preferences (GSP) for African exports during the medium term while countries were instituting measures to strengthen their competitiveness. Participants noted that in spite of the existence of trade preference schemes for developing countries, including Africa such as the European Union-ACP Lomé Convention, GSP, as well as subregional and regional trade arrangements, Africa still faced many artificial barriers to its exports.

115. A number of key elements in boosting Africa's trade were identified. Among them were: reduction of transactions costs, including efficient physical and service infrastructures; diversification of products and markets; incentive regimes for exporters, including strategies to encourage small producers; institutional capacity-building for improved marketing and export promotion; trade financing; access to inputs at world prices; strengthening negotiating capacities, both at the level of indigenous businesses as well as for governments' effective participation in the WTO multilateral trading system; and strengthening regional and subregional cooperation and integration aimed at boosting intra-African trade. Participants noted the growing importance of the Asian market within the global economy. There was a need, therefore, to reorient the direction of African trade to take advantage of the opportunities that the Asian market will offer.

116. Participants recognized the continuing importance of agriculture both as a source of exports in the short to medium term, as well as for food security. The consensus, however, was

that agriculture could not be relied upon to serve as the main platform for export-led growth in the longer term. It was observed that Africa's traditional reliance on primary commodities had not enabled it to sustain its share of world export earnings.

117. Participants shared their countries' experiences in promoting their exports and reclaiming their share of world markets. The measures which had been implemented to stimulate private investment were also conducive to export growth and diversification. Among those, participants highlighted realistic exchange rates, export processing zones, duty draw-back arrangements for exporters, export guarantee schemes, trade financing and foreign currency retention by exporters.

118. Participants underscored the crucial role to be played by the international community, particularly the developed countries. They called upon Africa's development partners to make the environment conducive for its growth and development. In that regard, transnational corporations (TNCs) were called upon to play their rightful role in trade and investment expansion and in the attraction of FDI in a manner that safeguarded the interests and basic principles of African countries.

119. At the end of the debate, the Conference recognized that the issue was no longer one of ideology but pragmatism. It was not too late for Africa to take its rightful place in the evolving international trading and financial system. Accelerating the pace of regional cooperation and integration should be a major focus on the way forward. Every effort should be made to dismantle all the artificial barriers to integration, including language and political barriers. There was need to re-examine strategies with a view to making greater use of Africa's abundant unskilled labour force. There was also need for greater focus on strategies and measures aimed at eliminating poverty.

### Consideration of the report and resolutions of the eighteenth meeting of the Technical Preparatory Committee of the Whole (TEPCOW) (agenda item 5)

120. The Chairperson of the eighteenth meeting of the Technical Preparatory Committee of the Whole (TEPCOW) presented the report of the Committee, as well as the draft resolutions it recommended for adoption by the Conference, as contained in document E/ECA/CM.23/11.

121. The Conference took note of the presentation and examined the report of the Committee and the draft resolutions contained therein. In considering the report, participants made observations and suggestions in respect of the discussions and proposals made by TEPCOW under some of the agenda items it had considered as follows:

122. Under agenda item 6(a) of TEPCOW, relating to the proposed reform of the intergovernmental machinery of the Commission, participants welcomed the proposed changes in the structure of the intergovernmental machinery. In doing so, they hoped that the changes would lead to well-planned and better prepared meetings. In particular, they expected that documents for meetings would now be sent well in advance so that they would be given the study they required at the country level before the meetings. It was explained that the Conference of African Ministers of Finance was being retained to meet every two years, alternating with the Conference of Ministers responsible for Economic and Social Development and Planning, to enable the Commission to follow very closely the immediate issues of reform, and economic and financial management generally. The next meeting of the Conference of African Ministers of Finance would be in 1998 and the next session of the Commission/-Conference of African Ministers responsible for Economic and Social Development and Planning would be in 1999. The reports of the proposed sectoral Committees would be submitted to the Conference of Ministers responsible for Economic and Social Development and Planning, so that the recommendations and proposals of the Committees would be considered by the Conference and translated into legislative mandates. It was also explained that in inter-sessional years, when the Conference does not meet, the proposed follow-up committee of the Commission could act on behalf of the Commission in bringing to the attention of ECOSOC, regional and other global instances, reports and positions on issues of interest to Africa.

123. One participant questioned the appropriateness of the format that has been used for the present meeting. The participant felt that meetings of the Conference were for legislation and decision-making and that technical panel discussions were more appropriate for seminars and workshops. The Executive Secretary explained that, in his consultations, he had been informed that meetings of the Conference had usually not generated dialogue, exchange of views and cross-fertilization of ideas among representatives. That was why at the previous annual meeting the

Commission had experimented with panel-led high-level policy discussions on relevant issues of African development. The Commission had at that time welcomed the innovation and encouraged the Executive Secretary to continue to make more use of the format since it would make the meetings more exciting while enhancing the legislative and decision-making process. The Conference urged the Executive Secretary to continue along the same lines.

124. Under item 6(b), relating to the rationalization of the ECA-sponsored institutions, the Conference endorsed the proposals for rationalization as presented by TEPCOW. In doing so, it affirmed that the proposals provided a concrete basis for member States to take final decisions on the continuing existence and functioning of the institutions. It stressed that such decisions should be taken and that the present meeting should be the last time that the issue of the rationalization of the institutions should be brought before it for debate. Those institutions which had no chance of survival should simply be allowed to close down. The Conference further stressed that even after rationalization, it was the collective duty of all member States and not just the host countries, as has generally been the case in the past, to ensure the proper functioning of the institutions that would be retained.

125. The Conference agreed to amend paragraph 90 of the report to include "the respect of equitable geographical distribution" under the criterium on functionality to be used for selecting those institutions with which ECA would develop close partnership programmes.

126. Under agenda item 6(c) relating to the MULPOCs: strengthening ECA's subregional presence, the Conference endorsed the proposals as presented. It stressed that more should be done to enhance ECA's presence at the subregional level. More staff members should be sent to the Subregional Development Centres (SRDCs) and those who would be sent should be of high-calibre and with expertise relevant to the specific needs of the respective subregions.

127. The Conference agreed to amend paragraph 99 of the report to read as follows:

> "The Committee endorsed the various actions undertaken by the Executive Secretary in pursuit of the desired reforms and commended him for the promptness with which he had carried out the assigned tasks. The Committee took note of the mandates proposed for the MULPOCs. The Committee also endorsed the proposed change of name for the centres from Multinational Programming and Operational Centres (MULPOCs) to Subregional Development Centres (SRDCs). The Committee observed that the redesignation better reflected the new role of SRDCs. Nevertheless, the Committee pointed out that changing names was no guarantee of performance and efficiency, if the necessary resources were not provided for SRDCs to play their crucial role as ECA Centres for the promotion of subregional development according to the needs of member States and in close collaboration with subregional economic communities, including the ECA-sponsored institutions and other centres of excellence within the subregions. SRDCs should be invited to participate in the meetings of the specialized technical commissions of the subregional economic communities as a means of aligning their work programmes and eliminating overlap or duplication of programmes".

128. The Conference amended paragraph 101 to read as follows:

> "The Committee noted with satisfaction the creation of two SRDCs for Eastern Africa and Southern Africa as well as the new geographical coverage of the subregional centres. The Committee welcomed the fact that consultations would be undertaken with interested countries in order to determine the location of the headquarters of SRDC for East Africa".

129. Regarding the question of the headquarters of the East African SRDC, the Conference invited the representatives of the countries concerned to meet during the present meeting to decide on the location of the headquarters. At the consultations, it was agreed that the headquarters of the East African SRDC should be in Kigali, Rwanda. It was also agreed that the timing of the relocation of the headquarters to Kigali should be left to the judgement of the Executive Secretary in consultation with the Chairman of the Conference and the Government of Rwanda.

130. The Conference also amended paragraph 104 of the report to read as follows:

> "Since SRDCs were to serve as fora for concerted action and thinking in the search for solutions to the economic and social development problems of each subregion, the Committee felt that it was important for

> the contents of their work programmes to particularly reflect the specific needs of each subregion. For the North African SRDC, the priorities should take into account the development strategies of member States including issues related to youth, the environment and urbanization, drought, desertification, pollution, water resources, external indebtedness, food security and subregional integration".

131. The representative of Mauritania, commenting on paragraph 106, informed the Conference that his country was geographically part of the North African subregion; it should, therefore, belong to the North African SRDC.

132. It was suggested that the new SRDCs should also assist African countries in the determination and implementation of their respective development programmes, as well as provide special assistance to those countries emerging from internal conflicts.

133. The Executive Secretary expressed appreciation to the Conference for the comments and observations related to the strengthening of ECA's subregional presence. He pointed out that the staff being redeployed to SRDCs would be appropriate for each subregion. He also assured the Conference that efforts would be made to provide financial resources to SRDCs to enable them to carry out their work programmes. He underlined the importance of workshops and seminars which SRDCs would be required to conduct at subregional levels. He confirmed, however, that all this should be seen in the context of the severe resource constraints that the Commission was facing. He therefore urged member States to support the Centres by contributing both human and financial resources.

134. Under agenda item 7, relating to African Information Society Initiative (AISI), the Conference amended the second sentence of paragraph 112 to read as follows:

> "The Committee further recommended that the activities to be implemented under the Initiative should be related to the needs of member States at national and subregional levels and that a study needed to be undertaken to determine the type of activities to be implemented on a priority basis".

135. The Conference amended the third and fourth sentences of paragraph 121 to read as follows:

> "The Committee observed that SRDCs could play a vital role in the identification of priority areas in consultation with the member States. These areas include, inter alia, subregional cooperation and integration; intraregional economic community trade; youth and gender issues; environment and drought; urban and city planning; food security; financial institutions and debt; and compilation and exchange of development information, through collaboration and cooperation with other regional economic communities and developmental partners".

136. The Conference adopted the report of the Technical Preparatory Committee of the Whole and the resolutions contained therein in the light of its own comments, observations and amendments. The TEPCOW report, as originally adopted by the Committee, is attached as annex I.

Special presentation events: Meeting the challenges of national information and communications infrastructure planning with public and private sector cooperation (agenda item 6)

(a) Public and private sector cooperation in building the national information infrastructure;

(b) Symposium on: Using information and communications technology to facilitate trade and investment in Africa

137. Under this agenda item, the Conference hosted on 7 May 1997, a special event in the form of a high-level Symposium on strengthening private and public sector partnership in building national information infrastructure and enhancing the role of information and communications technology to facilitate trade and investment in Africa. The Symposium was co-hosted by the Global Information Infrastructure Commission (GIIC), an international non-governmental organization of leaders of the world's foremost information and communications technology companies.

138. The GIIC was represented by some of its leading members. They were joined by a distinguished panel of experts who led the discussions. On the same day, the GIIC released its "Statement of Addis Ababa", which strongly supported private and public sector partnership in building the African Information Society Initiative (AISI). The Statement proposed a set of principles that might guide the implementation of the AISI as plans for national information and

communications infrastructure (NICI) within each African country.

139. The Conference greatly appreciated the initiative of organizing the special event. Member States stressed that Africa's full participation in the information revolution was a necessity not only because it would enable the region to participate effectively in the global economy but it was also a means to empower all its citizens with the knowledge needed to better their lives. They committed themselves to building an information society in their countries by putting in place national information and communications infrastructures. They applauded ECA for its work with member States in implementing the AISI and urged it to continue its work in this vital area.

140. The Symposium was broadcast live in Africa on M-NET production and Digital Satellite Television (DSTv). The report of the Symposium will be prepared and distributed separately.

Any other business (agenda item 7)

141. The Chairman requested member States and observers who could not read their statements under agenda item 4 to distribute them to participants as appropriate.

Adoption of the report (agenda item 8)

142. The Conference adopted this report as well as the resolutions and the declaration on accelerating trade and investment in Africa contained in chapter IV.

143. The Conference moved a motion expressing its deep appreciation to the Executive Secretary of ECA, Mr. K.Y. Amoako, for the excellent job he was doing to re-energize ECA and focus its work programme to serve Africa better. It encouraged him to continue with the renewal programme.

Closure of the meeting (agenda item 9)

144. In his closing remarks, the Executive Secretary expressed his appreciation to the participants for the sense of purpose with which they had considered the issues on the agenda of this session. The 1997 session marked his second appearance before the annual session of the Commission in his capacity as Executive Secretary. He noted that the 1996 session had been a watershed, in that the Conference had approved new strategic directions for the Commission - which had provided the impetus for the reform and renewal of ECA.

145. At the current session, the Executive Secretary had presented proposals to move the reform of the Commission a step further. He expressed satisfaction that member States had welcomed and endorsed the new proposals relating to various aspects of institutional reform. While much progress had been made, there was need for even stronger commitment.

146. The Executive Secretary emphasized that the reforms at ECA formed an integral part of broader United Nations reforms. The endorsement given by the Conference to the ECA reforms meant that member States recognized that ECA had a vital role in Africa's development and that it was indispensable to member States and needed to be strengthened to serve the region better. On the eve of the next century, a reformed ECA would be a useful tool in the hands of member States to assist them to lay a solid foundation for Africa's future. ECA was deeply committed to this goal.

147. For his part, the Honourable Richard Kaijuka, Chairman of the Conference of Ministers, expressed his appreciation to the Executive Secretary for re-energizing ECA, for which he had earned the trust and confidence of member States. He noted that, more than ever before, ECA had become a useful agent in Africa's development and the discussion and special events during the Conference had provided ample evidence of the importance and vigour of the renewed ECA.

148. The Chairman appealed to member States to lend their support to a renewed ECA. In particular, he appealed to his colleagues - Ministers of Economic and Social Development and Planning - to attend personally future sessions of the Commission. The ministerial meetings of ECA were becoming more interesting and it was essential for ministers to participate in those meetings.

149. The Chairman expressed the hope that with the help of regional organizations like ECA, Africa would be better prepared to meet the challenges of the next century. The next two decades would be crucial for Africa's development. He was confident that Africa would emerge a proud, peaceful and prosperous continent in the early decades of the next century and would be at the vanguard of global progress.

150. The Chairman then declared the meeting closed.

# LIST OF RESOLUTIONS AND DECLARATION ADOPTED BY THE CONFERENCE OF MINISTERS AT ITS TWENTY-THIRD MEETING

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# CHAPTER IV

# RESOLUTIONS AND DECLARATION ADOPTED BY THE CONFERENCE OF MINISTERS AT ITS TWENTY-THIRD MEETING

## A. Resolutions

### 826 (XXXII). Reform of the intergovernmental machinery of the Economic Commission for Africa

The Conference of Ministers,

Recalling the various resolutions that have implications on the mandate and operations of the Commission including, in particular, General Assembly resolutions 32/197 of 20 December 1977, 33/202 of 29 January 1979 and 44/211 of 21 December 1990 on the restructuring of the economic and social sectors of the United Nations system,

Recalling also its resolution 618 (XXII) of 24 April 1987 on in-depth study of the United Nations intergovernmental structure and functions in the economic and social fields,

Recalling further General Assembly resolutions 45/177 of 19 December 1990, 45/264 of 13 May 1991, 46/235 of 13 April 1992 and 50/227 of 24 May 1996 on the restructuring and revitalization of the United Nations in the economic, social and related fields, in which the regional commissions should be enabled fully to play their role under the authority of the General Assembly and the Economic and Social Council,

Bearing in mind Commission resolution 809 (XXXI) of 8 May 1996 on the new strategic directions for the Economic Commission for Africa,

Having taken note of the new policy and programme orientation of the Commission as well as steps being taken to restructure the secretariat, and conscious of the need to align the intergovernmental machinery to this new orientation in order to enable the Commission to address the emerging challenges and priorities of the region effectively,

Having reviewed the existing intergovernmental machinery of the Commission,

Decides that the structure and functioning of the intergovernmental machinery of the Commission should be as follows:

#### A. Organs dealing with overall development issues

##### 1. Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) and its Technical Preparatory Committee of the Whole (TEPCOW)

The Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) will provide legislative mandate and policy guidance for the work of the Commission; consider and endorse the work programmes of the Commission; serve as a forum for articulating Africa's position on development issues on the agenda of the United Nations; and decide upon the recommendations of its subsidiary bodies and of the Executive Secretary.

Since the mandate of the Conference encompasses the whole spectrum of development issues - economic as well as social - it will subsume the legislative responsibilities previously assigned to the Conference of African Ministers responsible for Human Development which is proposed for abolition.

The Conference will meet on biennial basis. The next meeting will be in 1999. The Bureau of the Commission will be expanded, so that it will have a representative from each of the five subregions of the continent, namely North, Eastern, Southern, West and Central Africa. It will consist of a chairman, three vice-chairmen and one rapporteur.

A Follow-up Committee is hereby established. It will be composed of the members of the incoming and outgoing bureaux of the Commission at every session. It will meet as often as necessary but at least once in inter-sessional years to review Commission affairs and progress in the implementation of decisions.

The meetings of the Follow-up Committee shall be convened by the Executive Secretary in consultation with the chairman of the Commission as and when necessary.

The Technical Preparatory Committee of the Whole (TEPCOW) shall continue to provide technical support to the Conference and precede the Conference.

### 2. Intergovernmental Committees of Experts of the Subregional Development Centres (SRDCs)

The five Intergovernmental Committees of Experts of the Subregional Development Centres shall meet annually and report to the Commission through the Technical Preparatory Committee of the Whole. In the years when the Commission does not meet, the reports of these Committees would be presented to the Follow-up Committee of the Bureau. These Committees shall oversee the overall formulation and implementation of the programme of work and priorities of the respective Subregional Development Centres and make recommendations on important issues concerning economic and social development in their respective subregions, as well as on the promotion and strengthening of subregional economic cooperation and integration.

### 3. Conference of African Ministers of Finance

This Conference of African Ministers of Finance will be retained. The Conference will be convened biennially in alternate years to the meetings of the Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission). The Conference will have a committee of experts to prepare its meetings which will convene before each session.

## B. Subsidiary bodies to be created or retained

### 1. Committee on Women and Development

The Africa Regional Coordinating Committee for the Integration of Women in Development (ARCC), which will be renamed Committee on Women and Development, will be retained and continue to play its role as an advisory forum of experts and policy makers, providing guidance to the Commission's work on the advancement of women. It will also provide a platform for advocacy and assessing follow-up and implementation by African Governments of the Global and Regional Platforms for Action for the advancement of women. In particular, it will address issues relating to economic empowerment of women, their legal and human rights protection, and improved access to education and health. It will meet on a biennial basis.

### 2. Committee on Development Information

As the Economic Commission for Africa strengthens its role in assisting member States in developing their national information and communication infrastructure, it needs a body that brings together experts and policy makers to advise it in this area. The beginnings of such a body exist in the High-level Working Group that helped to articulate the African Information Society Initiative (AISI): An action framework to build Africa's information and communication infrastructure, and in the African Technical Advisory Committee of experts on information infrastructure which has been established to provide advice on the implementation of the Initiative. The Committee on Development Information will build on the work of these bodies as well as the Joint Conference of African Planners, Statisticians, Population and Information Specialists.

The Committee on Development Information will include experts from such fields as planning, statistics and geo-information systems as well as information specialists. The Committee will meet on a biennial basis.

### 3. Committee on Sustainable Development

This Committee would serve as a forum of experts that will provide advice to ECA in the interlinked areas of food security, population, environment and human settlements. In this regard, it will provide a platform for advocacy and the assessment of follow-up activities by African Governments to regional and global plans of action, namely the African Common Position on Environment and Development, the African Common Position for Habitat II, the Dakar/Ngor Declaration on Population, Family and Sustainable Development, Agenda 21, the Habitat Agenda, the Cairo Programme of Action on Population and Development and the Programme of Action of the World Food Summit and their implementation.

It would address specific measures to promote the protection and regeneration of the environment, enhance food security in Africa, sustainable human settlements and issues arising from increased population growth. This Committee will meet once every two years.

### 4. Committee on Human Development and Civil Society

The Committee's mission will be to help strengthen the civil society and human development. It will enable ECA to draw on opinions of experts in the public and private sectors and civil society in its operations. The Committee will conduct development and follow-up activities pertaining to global and regional action programmes such as the Copenhagen Declaration and Programme of Action of the World Summit for Social Development and the African Charter for Popular Participation in Development and Transformation. It will review major trends and issues of regional interest regarding human development and the civil society. It will assume the functions of the Ministerial Follow-up Committee of Fifteen of the Conference of African Ministers responsible for Human Development and meet every two years.

### 5. Committee on Industry and Private Sector Development

The Committee would serve as a forum for addressing measures to strengthen the private sector. It would focus on such issues as improving public-private partnerships, stimulating private investment, creating a sound legal and regulatory framework for business. The Committee would monitor and review progress in the industrialization of Africa as well as identify and recommend measures for accelerating the process of industrialization in the region.

This Committee will subsume some of the functions of the Conference of African Ministers of Industry. It will provide policy and strategy guidance for enhancing programme formulation in pursuit of various aspects of subregional and regional industrial development. In this respect, it would also advise on strategies to facilitate Africa's industrial competitiveness through the promotion of complementarity and integration taking into account global scientific and technological developments. It will be composed of experts representing each private sector group, such as chambers of commerce, manufacturers' associations, capital market forums, labour and policy makers from relevant government departments. The Committee will meet biennially.

### 6. Committee on Natural Resources and Science and Technology

This Committee will subsume the functions performed by the African Regional Conference on Science and Technology and the Conference of African Ministers responsible for the Development and Utilization of Mineral Resources and Energy. It will, however, be composed of experts in these fields.

The Committee will serve as a forum for the promotion of cooperation among African countries in the areas of science and technology and development and natural resources and for providing advice on science and technology issues relevant to the development of member States. It will meet on a biennial basis.

### 7. Committee on Regional Cooperation and Integration

This Committee will subsume the functions of the Conference of African Ministers of Trade and Regional Cooperation and Integration. Because of the important role trade plays in regional cooperation and integration, the main focus of this work will be trade - intra-African and international trade. It will be composed of experts in the field of international trade and integration drawn from government as well as the private sector.

In addition, the Committee would promote the implementation of measures designed to strengthen economic cooperation and integration among African countries; assist African countries and their intergovernmental organizations in making more effective the policy instruments for economic cooperation and integration of the African region; and identify measures to coordinate and harmonize micro- and macroeconomic policy among African countries as a prerequisite for accelerating regional economic integration. It will meet on a biennial basis.

## C. Conferences proposed for abolition

### 1. Conference of African Ministers responsible for Human Development

This Conference is abolished. Its legislative functions will be subsumed by the Conference of African Ministers responsible for Economic and Social Development and Planning. The functions of its Ministerial Follow-up Committee of Fifteen will be subsumed by the Committee on Human Development and Civil Society.

### 2. Conference of African Ministers responsible for Sustainable Development and Environment (CAMSDE)

This Conference was created in the 1993 restructuring of the intergovernmental machinery of ECA with a view to providing legislative guidance for ECA's work in the area of sustainable development and environment. Subsequently, it was found that its mandate duplicated the African Ministerial Conference on the Environment (AMCEN), which has a joint secretariat composed of ECA, the Organization of African Unity (OAU) and the United Nations Environment Programme (UNEP). Consequently, the Executive Secretary of ECA was requested to undertake consultations on how to resolve the problem of duplication between AMCEN and CAMSDE.

The results of those consultations were presented to the ECA Conference of Ministers in May 1996 in document E/ECA/CM.22/11/Add.2. The consultations indicated four options for resolving the problem: merge CAMSDE and AMCEN; strengthen the modalities of collaboration between CAMSDE and AMCEN; broaden the mandate of AMCEN to include issues of sustainable development; and drop "Environment" from the title of CAMSDE. The abolition of the Conference of African Ministers responsible for Sustainable Development and Environment resolves the problem of duplication with the African Ministerial Conference on the Environment.

### 3. Conference of African Ministers of Trade and Regional Cooperation and Integration

The functions of this Conference overlap both with the Economic and Social Commission of the African Economic Community and its Committee on Trade, Customs and Immigration. Some of the functions of this Committee will be subsumed by the newly established Committee on Regional Cooperation and Integration.

### 4. Conference of African Ministers of Transport and Communications

This Conference would be abolished at the end of the second United Nations Transport and Communications Decade in Africa (UNTACDA-II) in 1999. Thereafter, the African Economic Community's Committee on Transport, Communications and Tourism will become the regional forum for discussions on the relevant issues.

### 5. Conference of African Ministers of Industry

This Conference would be abolished at the end of the United Nations second Industrial Development Decade for Africa (IDDA-II) in 2001. Thereafter, the African Economic Community's Committee on Industry, Science and Technology, Energy, Natural Resources and Environment will become the regional forum for discussions. As indicated earlier, the newly established ECA Committee on Industry and Private Sector Development will also focus on industry in the broader context of private sector development.

## D. Subsidiary bodies proposed for abolition

### 1. United Nations Regional Cartographic Conference for Africa

The functions of this Conference will be subsumed by the Committee on Development Information.

### 2. African Regional Conference on Science and Technology

The functions of this Conference will be subsumed by the Committee on Natural Resources and Science and Technology.

### 3. Joint Conference of African Planners, Statisticians, Population and Information Specialists

The functions of this Conference will be subsumed both by the Committee on Sustainable Development and the Committee on Development Information.

## E. Sectoral ministerial meetings

Although several sectoral ministerial meetings are proposed for abolition, the Commission will convene ministerial meetings on any issue as warranted by circumstances.

## Annex to resolution 826 (XXXII)

## TERMS OF REFERENCE OF THE ORGANS OF THE PROPOSED NEW STRUCTURE OF THE INTERGOVERNMENTAL MACHINERY OF THE ECONOMIC COMMISSION FOR AFRICA

### Terms of reference of the Conference of African Ministers responsible for Economic and Social Development and Planning

(a) Provide legislative mandate and policy guidance for the work of the Commission;

(b) Consider the programme of work and priorities of the Commission;

(c) Review and analyze the economic and social situation in the region;

(d) Identify and highlight the major economic and social development issues and concerns with a view to promoting policies and strategies for Africa's accelerated development;

(e) Suggest policy measures and actions for implementing various strategies and initiatives, including eliciting the support of the international community in support of that effort;

(f) Undertake periodic reviews of the follow-up to the global conferences preparatory to review and appraisal of the implementation of the relevant programmes of action of these conferences by the Economic and Social Council and the General Assembly of the United Nations;

(g) Conduct periodic reviews of the situation of the least developed countries and submit to the Economic and Social Council and the General Assembly or any special conference, a report on the situation of the least developed countries in Africa;

(h) Encourage the establishment of appropriate mechanisms at the national, subregional and regional levels to promote the advancement of women;

(i) In close collaboration with the Organization of African Unity and the African Development Bank, assist member States in promoting regional cooperation and integration, in particular in the implementation of the Abuja Treaty establishing the African Economic Community;

(j) Foster policy coordination with the Organization of African Unity/African Economic Community on all international economic negotiations;

(k) Undertake a review of the work and the functioning of the subsidiary organs of the Commission; and

(l) Review and assess the programme orientation of the secretariat and any recommendations submitted by the Executive Secretary.

### Terms of reference of the Intergovernmental Committees of Experts of the Subregional Development Centres (SRDCs)

(a) Recommend strategies, policies, programmes and projects aimed at enhancing economic cooperation and integration within their respective subregions and with other African subregions, in conformity with the objectives of the African Economic Community;

(b) Submit to the ECA Conference of Ministers the (biennial) draft work programmes of the Subregional Development Centres and suggest measures for the successful implementation of those work programmes. The latter take into account the activities of the intergovernmental organizations with a view to supporting, not duplicating, them;

(c) Monitor through a continuous process and appropriate mechanism the implementation of the approved work programmes of the Subregional Development Centres and report thereon to the ECA Conference of Ministers; in this regard, the Committees will consider the reports of the Follow-up Committees of the Subregional Development Centres;

(d) Review and analyze the economic and social conditions prevailing in their respective subregions with a view to making appropriate recommendations of measures likely to foster economic cooperation and integration among the countries concerned;

(e) Review and make subsequent recommendations on reports of sectoral meetings organized by or with the assistance of the Subregional Development Centres;

(f) Suggest measures aimed at mobilizing resources for the effective implementation of the programmes of the Subregional Development Centres;

(g) Carry out any duties assigned to them by the ECA Conference of Ministers in connection with their mandate;

(h) Establish liaison with other agencies, organizations and non-governmental organizations at the subregional, regional and global levels, and take into account their relevant recommendations; and

(i) Make recommendations to the ECA Conference of African Ministers responsible for Economic and Social Development and Planning.

### Terms of reference of the Conference of African Ministers of Finance

(a) Monitor and evaluate the impact of the international monetary and financial situation on the African economies and propose appropriate remedial action;

(b) Regularly assess the structure and magnitude of Africa's external debts, including the debt-servicing obligations of African countries with a view to proposing effective measures to alleviate such debt;

(c) Review intra-African monetary and financial cooperation and suggest ways by which resource flows to Africa can be enhanced;

(d) Promote the exchange of information and the sharing of national experiences in dealing with monetary and financial matters; and

(e) Devise strategies for strengthening Africa's position in international negotiations on monetary and financial issues.

### TERMS OF REFERENCE OF THE SUBSIDIARY BODIES

#### A. Committee on Women and Development

(a) Review periodically the progress in the implementation of the Global and Regional Platforms for Action;

(b) Review and evaluate the activities carried out in the region in the framework of the relevant programmes for the advancement of women;

(c) Harmonize and coordinate the subregional programmes on women in development approved within the subregions;

(d) Report to the Conference of African Ministers responsible for Economic and Social Development and Planning (the Commission) on the activities and programmes on women in development covered at the subregional and regional levels;

(e) Mobilize resources for the implementation of the programmes of action agreed at the subregional and regional levels;

(f) Participate in the activities and meetings of the United Nations and other relevant bodies; and

(g) Organize the exchange of information and experiences on policies regarding the advancement of women in member States.

#### B. Committee on Development Information

(a) Review and advise on the implementation of the African Information Society Initiative (AISI): An action framework for national information and communications infrastructure with a view to suggesting measures to accelerate its implementation;

(b) Mobilize funding and technical assistance for the implementation of the African Information Society Initiative;

(c) Identify and suggest techniques for the application of geographic information for natural resource exploitation and management;

(d) Examine and advise on progress by member States in all aspects of statistical development;

(e) Advise on the establishment of arrangements for the improvement of all aspects of methodology and practice in the areas of statistics, information science and geographic information system (remote sensing and cartography); and

(f) Coordinate the training for African personnel in the areas of statistics, information science and geographic information systems.

#### C. Committee on Sustainable Development

(a) Undertake periodic review of the implementation of regional and global programmes of action such as Agenda 21, the Cairo Programme of Action on Population and Development, the Habitat Agenda and Food Security;

(b) Consider and make recommendations on a multidisciplinary approach to the implementation of the relevant programmes of action;

(c) Promote the formulation of policies and measures for environment protection, food security, improved human settlements and integration of population variables in development planning; and

(d) Provide advice to the Commission in the formulation of activities for supporting member States in the interrelated areas of food security, population, environment and human settlements.

#### D. Committee on Human Development and Civil Society

(a) Assist member States to promote measures to follow up the implementation of the regional and globally agreed programmes of action in social and human development and popular participation;

(b) Provide advice to the Commission in formulating its work programmes in the area of human development and popular participation;

(c) Encourage the integration of social and human dimensions into development policies, plans and programmes at both macroeconomic and sectoral levels; and

(d) Identify and highlight the major economic and social development issues and concerns with a view to promoting policies and strategies for human development and popular participation in development.

### E. Committee on Industry and Private Sector Development

(a) Assist the Commission in the articulation of strategies and programmes for private sector development;

(b) Undertake periodic reviews and assessment of the progress in implementing strategies for private sector development;

(c) Provide advice to the Commission on orienting its work programme to give support to member States in fostering private sector development;

(d) Provide a forum where representatives of government and the private sector can share experiences and exchange information on best practices relating to support policy measures for private sector development;

(e) Review and monitor progress in industrialization in Africa;

(f) Identify and recommend measures for accelerating the process of industrialization in the region:

(i) provide advice and information that would enable the Commission to formulate strategies for subregional and/or regional industrial integration;

(ii) provide the Commission with advice on how best to assist member States to facilitate industrial development, including their promotion of industrial restructuring programmes; and

(g) Periodically assess progress made in the process of industrialization and in the implementation of integration strategies.

### F. Committee on Natural Resources, Science and Technology

(a) Promote measures to facilitate cooperation among African countries in the areas of natural resources, science and technology;

(b) Provide a forum for exchange of information and sharing experiences in these areas;

(c) Assist the Commission in the formulation of programmes for the development and application of science and technology; and

(d) Advise the Commission on ways to strengthen its support to member States in the area of natural resources management.

### G. Committee on Regional Cooperation and Integration

(a) Undertake periodic review and assessment of Africa's trading position in the world economy;

(b) Identify and highlight major opportunities and constraints in trade and investment for African countries;

(c) Enhance the African trade sector through the adoption of appropriate measures, policies and strategies for the expansion of regional and external trade;

(d) In close collaboration with the Organization of African Unity/African Economic Community, promote the implementation of measures designed to strengthen economic cooperation and integration among African countries;

(e) Assist African countries and their intergovernmental organizations in making more effective the policy instruments for economic cooperation and integration in Africa;

(f) In close collaboration with the Intergovernmental Committees of Experts of the Subregional Development Centres, assist the member States of the Subregional Development Centres and their intergovernmental organizations in the strengthening of existing institutional machinery for subregional economic cooperation and integration as well as strengthening existing institutions for subregional trade cooperation, within the framework of the Abuja Treaty; and

(g) Identify measures to coordinate and harmonize micro- and macroeconomic policy among African countries as a prerequisite for accelerating regional economic integration.

*302nd meeting,*
*8 May 1997.*

827 (XXXII). Rationalization and harmonization of ECA-sponsored institutions

The Conference of Ministers,

Recalling its previous resolutions 726 (XXVII) of 22 April 1992 and 754 (XXVIII) of May 1993 on the rationalization and harmonization of ECA-sponsored institutions,

Recalling further the 1992 and 1993 studies carried out by the Economic Commission for Africa towards the rationalization and renewal of sponsored institutions, in particular the conclusions and recommendations contained in documents E/ECA/CM.19/17 and E/ECA/-CM.20/21 considered at the May 1993 and May 1994 sessions of the Commission, respectively,

Having considered document E/ECA/-CM.23/5 which contains the findings and recommendations of consultative missions mounted by the Commission as a follow-up to previous reviews and studies on the rationalization and harmonization of the ECA-sponsored institutions,

Cognizant of the role that institutions which were established by African Governments can play in building the critical capacities for the accelerated development of the region,

Conscious that any further delays in taking concrete decisions to rationalize and harmonize the institutions would contribute to the further erosion of their effectiveness and relevance,

1. Endorses the recommendations contained in document E/ECA/CM.23/5 on the rationalization and harmonization of the ECA-sponsored institutions;

2. Requests the Executive Secretary of the Economic Commission for Africa to submit all the relevant documents on the rationalization and harmonization of the institutions to their respective governing bodies for consideration and appropriate action;

3. Calls upon the governing bodies of the relevant institutions to take all necessary measures, including the organization of meetings, in close collaboration with the Commission, to consider and proceed with the implementation of the recommendations on the rationalization of the ECA-sponsored institutions, individually and collectively;

4. Further calls upon the governing bodies of the institutions, whose survival are extremely doubtful due to lack of support, to initiate, in consultation with the relevant host governments and the Executive Secretary of the Commission, immediate measures towards their closure;

5. Further requests the Executive Secretary to identify on the basis of agreed criteria those institutions with which the Commission would develop close partnership programmes for enhanced synergy;

6. Calls upon the Executive Secretary to seek alliances with its cooperating partners to support further efforts by member States to transform those institutions that the Commission would have identified into regional centres of excellence;

7. Requests the Executive Secretary of the Commission to report on progress in the implementation of this resolution at the next meeting of the Conference.

*302nd meeting,*
*8 May 1997.*

828 (XXXII). The Multinational Programming and Operational Centres: Strengthening the Economic Commission for Africa's subregional presence

The Conference of Ministers,

Recalling its previous resolution 810 (XXXI) of 8 May 1996 on the strengthening of the Multinational Programming and Operational Centres (MULPOCs),

Noting with appreciation the significant efforts deployed by the Executive Secretary of the Economic Commission for Africa towards the strengthening of the MULPOCs which included the deployment of additional staff resources to the Centres,

Having examined document E/ECA/CM.23/6 which contains proposals and recommendations covering all relevant aspects of the MULPOCs' operations, including their mandate, geographical coverage, membership, location of headquarters and policy-making institutional framework,

1. Decides to rename the MULPOCs "Subregional Development Centres (SRDCs)";

2. Also decides that:

(a) The Subregional Development Centres will perform the following functions:

(i) Act as operational arms of the Economic Commission for Africa at the country and subregional levels and catalysts to leverage the Commission's resources;

(ii) Serve as instruments for ensuring harmony between subregional and regional programme orientations and those defined by the strategic directions of the Commission;

(iii) Provide advisory services to member States, regional economic communities and subregional development operators;

(iv) Facilitate subregional economic cooperation, integration and development;

(v) Promote gender issues;

(vi) Act as centres for policy dialogue;

(vii) Collect and disseminate information; and

(viii) Serve as facilitators of the integration activities of organizations of the United Nations system operating within the subregions;

(b) The distribution and membership of the Subregional Development Centres should be as follows:

(i) North African Subregional Development Centre: [(Headquarters - Tangier, Morocco) (Membership: Algeria, Egypt, the Libyan Arab Jamahiriya, Mauritania, Morocco, the Sudan, Tunisia)];

(ii) West African Subregional Development Centre: [(Headquarters - Niamey, the Niger) (Membership: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, the Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, the Niger, Nigeria, Senegal, Sierra Leone, Togo)];

(iii) Central African Subregional Development Centre: [(Headquarters - Yaounde, Cameroon) (Membership: Cameroon, the Central African Republic, Chad, the Congo, Equatorial Guinea, Gabon, Sao Tome and Principe)];

(iv) Southern African Subregional Development Centre: [(Headquarters - Lusaka, Zambia) (Membership: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe)];

(v) Eastern African Subregional Development Centre: [Headquarters - Kigali, Rwanda) (Membership: Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Rwanda, Seychelles, Somalia, Uganda, the United Republic of Tanzania, Zaire)];

3. Decides that the location of the headquarters of the Eastern African Subregional Development Centre is Kigali, Rwanda;

4. Appeals to the host countries of the various Subregional Development Centres to provide necessary facilities and support including office accommodation, to reflect the enhanced presence of the Economic Commission for Africa in the subregions;

5. Further appeals to member States to augment the capacity of the Subregional Development Centres through secondment of national experts and by allocating a certain percentage of their resources to the United Nations Trust Fund for African Development (UNTFAD);

6. Appeals to the development partners in the field, in particular the respective subregional intergovernmental organizations, the United Nations Development Programme and other United Nations system organizations, to cooperate with the Commission in facilitating the revitalization of the Subregional Development Centres and enhance cooperation within their respective subregions.

*302nd meeting,*
*8 May 1997.*

## 829 (XXXII). Follow-up to the Kampala Action Plan on Peace and Development and the African Platform for Action: Creation of the African Women Committee on Peace

The Conference of Ministers,

Recalling the Kampala Action Plan adopted by the Regional Conference on Women, Peace and Development in November 1993, which called for the creation of a Committee of Women Ministers and/or Plenipotentiaries "to be included at all levels in the new institutions and mechanisms being created by the Organization of African Unity for conflict prevention, management and resolution and in all other policy organs of the Economic Commission for Africa and the Organization of African Unity",

Recalling further the recommendation of the African Platform for Action adopted by the fifth African Conference on Women in November 1994 that called for the immediate implementation of the Kampala Action Plan,

Considering the request by the fifth African Regional Conference on Women on the Joint Secretariat of the Economic Commission for Africa, the Organization of African Unity and the African Development Bank to initiate and implement measures in support of the African Platform for Action,

Considering further the Addis Ababa Declaration on the Dakar Platform for Action on women in which the Heads of State and Government of the Organization of African Unity at its thirty-first session endorsed the African Platform for Action,

Noting with concern the escalating state of conflict in several African States that has been the cause of much suffering and destruction,

Aware that women and children are the major victims of conflict and war,

Reaffirming that peace is an indispensable condition to sustainable development,

Taking note of the various peace initiatives that have been taken by women at the national, subregional and regional levels,

Conscious of the fact that women are virtually absent at the level of decision-making in matters of war and peace,

Noting with satisfaction the recommendations of the Women Leadership Forum on Peace held in Johannesburg in November 1996 at the initiative of the Economic Commission for Africa and the Organization of African Unity,

Considering the findings of the eighteenth meeting of the Africa Regional Coordinating Committee for the Integration of Women in Development,

1. Endorses the creation of the African Women Committee on Peace which will work closely with the Organization of African Unity central organ in an advisory capacity in matters related to the peace process;

2. Requests the Secretary-General of the Organization of African Unity to accelerate the nomination process of appointment of members of the African Women Committee on Peace by member States and non-governmental organizations;

3. Calls upon the Economic Commission for Africa to collaborate with the Organization of African Unity in providing a joint secretariat for the African Women Committee on Peace and to assist the Committee in establishing its own secretariat as soon as possible;

4. Requests the Executive Secretary of the Economic Commission for Africa to submit this resolution to the Organization of African Unity Council of Ministers and the African Heads of State and Government at the forthcoming Summit for endorsement.

*302nd meeting,*
*8 May 1997.*

## 830 (XXXII). Programme of work and priorities for the biennium 1998-1999

The Conference of Ministers,

Recalling General Assembly resolution 41/203 of 19 December 1986 and subsequent relevant resolutions on programme planning,

Recalling further its resolution 809 (XXXI) of 8 May 1996 on new directions for the Economic Commission for Africa, and in particular endorsing the new orientations of the Commission as outlined in the Strategic Directions document as well as in the adopted Medium-term Plan for the period 1998-2001, Taking note of the programme of work for 1997 as revised in compliance with operative paragraph 5 of its resolution 809 (XXXI) requesting the Executive Secretary, in close collaboration with the Bureau of the Commission, to revise the 1996-1997 work programme,

Having examined the proposed programme of work and priorities for the biennium 1998-1999 contained in document E/ECA/CM.23/10,

Taking note of the new programme structure which is characterized by congruence between organizational and programme structures, reduction in the number of subprogrammes and clustering closely related activities under a single subprogramme to foster synergy and achieve greater efficiency and impact in the delivery of services,

Convinced that the proposals contained in the proposed programme of work and priorities for the biennium 1998-1999 will make a significant contribution to Africa's economic and social development,

1. Endorses the work programme and priorities of the Commission for the biennium 1998-1999 as contained in document E/ECA/-CM.23/10 as amended;

2. Requests the Secretary-General of the United Nations, in making his proposals for the 1998-1999 programme budget, to give special consideration to the development needs of the African region by providing the Commission with adequate resources to enable it to fully carry out the reforms already embarked upon;

3. Calls upon the General Assembly of the United Nations and its Second and Fifth Committees to ensure that adequate resources are made available to the Commission for the implementation of this work programme;

4. Requests the Executive Secretary of the Commission to ensure that the implementation of this work programme is guided by the same principles that have underpinned reform and renewal at the Economic Commission for Africa: professional excellence, cost-effectiveness in product management and programme delivery and effective partnerships with African regional organizations, United Nations agencies and other multilateral and bilateral donors in support of Africa's development;

5. Commends the secretariat of the Economic Commission for Africa for the innovative approach it adopted in designing the work programme and the activities therein.

*302nd meeting,*
*8 May 1997.*

## B. Declaration

## DECLARATION ON ACCELERATING TRADE AND INVESTMENT IN AFRICA

**Preamble**

1. We, the African Ministers responsible for economic and social development and planning, meeting in Addis Ababa during the thirty-second session of the Commission/twenty-third meeting of the Conference of Ministers from 5 to 8 May 1997, guided by the principles and spirit embodied in the Charters of the United Nations and of the Organization of African Unity, the Abuja Treaty establishing the African Economic Community, the Cairo Plan of Action for Relaunching Africa's Development, the Marrakech Final Act of the Uruguay Round Agreement on Multilateral Trade Negotiations, UNCTAD IX Midrand Declaration "A Partnership for Growth and Development", and the Comprehensive and Integrated World Trade Organization (WTO) Plan of Action for the Least Developed Countries, endorse the resolutions and declaration adopted by the recently concluded Conference of African Ministers of Finance at its sixth session of 31 March to 2 April 1997.

**Purpose**

2. We have taken stock of Africa's position within the emerging global economic system at the threshold of the twenty-first century. We have deliberated on the appropriate orientation of the development of our countries in the era of a liberalizing and integrating world economy, and the necessary measures that we need to implement in Africa at the level of government, with support from bilateral and multilateral development partners and in full partnership with African and foreign private and public enterprises. We reaffirm that African countries assume the primary responsibility for restructuring their economies to the challenges and opportunities of a globalizing and liberalizing world economy.

**Trade, investment and development**

3. We are convinced that trade and investment are essential components in any credible strategies to accelerate our countries' development and sustain high rates of economic growth. We are also convinced that poverty, which constitutes the most serious problem facing African society today, can be reduced and eventually eradicated by sustained high rates of economic growth that is broad-based and geared to creating employment and generating rising incomes. This objective requires a sustained high rate of investment and production and efficiency in the use of resources.

**Development resources**

4. We are convinced that this requires considerable resources which can be obtained mainly from an increased rate of domestic savings (by households, private and public enterprises and governments), supplemented by official development finance and foreign investment (foreign direct investment, portfolio funds and finance tapped from international capital markets). We are concerned about the long-term declining trend of official development assistance (ODA) in spite of our economic restructuring efforts and continuing need of development resources. We deplore the marginalization of Africa, at a time when significant positive developments are taking place in our countries.

5. In the light of intensifying globalization, we realize that private local and foreign investment is destined to assume increasing importance in the development of our continent. We also recognize the central importance of mobilizing domestic financial resources to boost our domestic savings.

**External debt burden**

6. External debt for the continent as a whole is estimated to have exceeded US$ 340 billion at the end of 1996. Its enormous servicing cost siphons away considerable resources which could have been productively invested in the development of Africa. We welcome the debt reduction initiative for the highly indebted poor countries (HIPCs Initiative) adopted in April 1997 by the World Bank and the International Monetary Fund (IMF). This is a first step in the right direction. We are hopeful that it will be reinforced by additional bilateral and multilateral measures to substantially reduce all African countries' debt stock and debt service. We believe, however, that the eligibility criteria and conditionalities could be made more flexible to permit a wider range of our countries to benefit from this initiative.

**Regional integration**

7. We are resolved to renew our commitment to regional economic cooperation and integration, in line with the exigencies of expanding our markets, as a prerequisite to attracting investment and engendering economic growth.

**Transnational corporations as partners**

8. We recognize that transnational corporations (TNCs) have emerged as effective agents of globalization and have an important role to play in channelling FDI. We believe that any fruitful and long-lasting business relationship must be built on the hallowed principles of trust, equity, shared responsibilities, and mutual benefit. It is in this spirit that, in recent years, our countries have adopted new investment codes and instituted significant economic reforms. Foreign partners who share with us these principles will make good on their investments and reap considerable dividends. In this regard, we invite TNCs to channel increased FDI flows to Africa while respecting our countries' business principles.

**Trade and investment:**

**Opportunities and challenges**

9. We recognize that boosting domestic savings, local and foreign investment and the productivity of capital together constitute a real challenge. Regarding trade, the entry into force of the Uruguay Round Agreement, mandating significant cuts in tariffs on most tradeable products and limiting countries' recourse to non-tariff measures, offers Africa both opportunities as well as challenges. The thrust of the social, macroeconomic, sectoral and trade policies that we are implementing in our countries is towards meeting these challenges and grasping the opportunities, so that our countries can realise the full potential of their natural comparative advantages in the world economy. Furthermore, some of our countries are creating an environment conducive to expanding trade with the rest of the world. Unfortunately, these efforts have been frustrated by deteriorating terms of trade and continuing protectionist practices hindering our countries' exports, particularly agricultural products, textiles and clothing, by our trading partners.

**Prerequisites for expanding trade and investment**

10. We are aware that in order to achieve our goals (i.e., to accelerate economic growth and development, boost domestic savings and investment, attract substantial private foreign capital transfers and expand trade with the rest of the world) the following prerequisites, inter alia, must be accomplished:

(a) Promoting a positive image of Africa as a safe place for business and investment;

(b) Maintaining peace, security, political stability and good governance;

(c) Establishing an adequate legal and regulatory framework;

(d) Strengthening institutional capacities of African countries;

(e) Improving information flow on economic developments in Africa;

(f) Modernizing, expanding and diversifying production;

(g) Reducing the cost of establishment and doing business;

(h) Strengthening international competitiveness to better participate in the multilateral trading system; and

(i) Striving for genuine regional economic integration.

**Infrastructure development**

11. We recognize the need to extend and modernize infrastructure (transport, power, telecommunications and information networks and water supplies) as an important prerequisite for reducing the cost of doing business and improving our countries' competitiveness in world trade. The full financial outlays for these sectors, however, cannot be borne by governments alone. We are convinced that this is an area where regional cooperation among countries and public-private partnership have major roles to play. Subregional economic communities can provide an effective framework for coordinating infrastructure projects. Local and international private investors can be counted on to supply much of the required financial resources, competent management of facilities, and efficient delivery of services. African and international capital markets should be used to mobilize development capital for infrastructure projects.

**Positive policy trends across Africa**

12. We are convinced that the steps taken by our countries in each of the above areas will contribute to efficiency in our economies. The economic fundamentals are more solid today than they have been in decades. In a number of our countries, fiscal deficits have been reduced, the money supply has been stabilized, inflation is falling, currencies are finding their realistic levels guided by market forces, pressures on the current account have been reduced, economic recovery is under way and the local private sector is resurgent. The reforms undertaken and performances attained will be intensified, accompanied by necessary measures to cushion low-income and vulnerable segments of society from the negative consequences.

**Areas for enhanced partnership**

13. We invite domestic and foreign investors to take advantage of the opportunities that have been created by the improved policy and economic environment in our countries.

14. We urge Africa's bilateral partners to continue to provide direct financial support, on concessional terms at increased levels, and to extend indirect support through tax incentives to their national investors participating in infrastructure development projects in Africa.

15. Multilateral development finance institutions, notably the African Development Bank, the African Export-Import (AFREXIM) Bank and the World Bank, will continue to play an important role, not only in providing substantial financial resources, but also in providing technical assistance to our countries in carrying out analyses of profitability, risk, and environmental factors of projects, especially in infrastructures.

**The role of ECA and leading organizations**

16. We request the Economic Commission for Africa (ECA), in collaboration with the Organization of African Unity (OAU) and the African Development Bank (ADB), to assist member States in identifying issues crucial to accelerating trade and investment and to come up with appropriate strategies, in collaboration with African Governments and leading African and global multilateral institutions, inter alia, the World Bank, the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO). We recommend that emphasis be placed especially on practical strategies, and economic and social policy innovations, with particular emphasis on regional cooperation, public-private partnership, and international competitiveness, thereby pointing to new approaches to accelerate Africa's development process. ECA should also function as the clearing-house for gathering and disseminating experiences and best practices from within Africa as well as from other regions.

*Done at Addis Ababa, Ethiopia,*
*8 May 1997.*

Annex I

# REPORT OF THE EIGHTEENTH MEETING OF THE TECHNICAL PREPARATORY COMMITTEE OF THE WHOLE

Addis Ababa, Ethiopia
29 April - 2 May 1997

## A. *Attendance and organization of work*

1. The eighteenth meeting of the Technical Preparatory Committee of the Whole (TEPCOW) was held in the United Nations Conference Centre, Addis Ababa, Ethiopia, from 29 April to 2 May 1997. The meeting was formally opened by H.E. Mr. Mekonnen Manyazewal, Vice-Minister of Economic Development and Cooperation of the Federal Democratic Republic of Ethiopia. Mr. K.Y. Amoako, Executive Secretary of the Economic Commission for Africa, delivered a statement at the opening ceremony of the meeting. The representative of Malawi, outgoing Chairman of the Committee also made a statement.

2. The meeting was attended by representatives of the following member States of the Commission: Algeria, Angola, Benin, Burkina Faso, Burundi, Cameroon, the Central African Republic, Chad, the Congo, Côte d'Ivoire, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Ghana, Guinea, Kenya, Lesotho, Liberia, the Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, the Sudan, Togo, Tunisia, Uganda, the United Republic of Tanzania, Zaire, Zambia and Zimbabwe.

3. Observers from the following Member States of the United Nations were present: Belgium, China, France, Japan and Turkey.

4. The following United Nations bodies and specialized agencies were represented: United Nations Department of Policy Coordination and Sustainable Development (DPCSD/OSCAL), United Nations Regional Commissions New York Office (RCNYO), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Conference on Trade and Development (UNCTAD), World Food Programme (WFP), International Labour Organisation (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO), Universal Postal Union (UPU), World Health Organization (WHO), World Bank, World Meteorological Organization (WMO), International Telecommunication Union (ITU) and United Nations Industrial Development Organization (UNIDO).

5. The Organization of African Unity (OAU) was represented.

6. Observers were present from the following intergovernmental organizations: African Centre for Applied Research and Training in Social Development (ACARTSOD), African Centre of Meteorological Applications for Development (ACMAD), African Centre for Monetary Studies (ACMS), African Regional Centre for Technology (ARCT), Arab Maghreb Union (AMU), African Regional Organization for Standardization (ARSO), Common Market for Eastern and Southern Africa (COMESA), Eastern and Southern African Management Institute (ESAMI), African Institute for Economic Development and Planning (IDEP), Institut de formation et de recherche démographiques (IFORD), African Organization for Cartography and Remote Sensing (AOCRS), Regional Centre for Services in Surveying, Mapping and Remote Sensing (RCSSMRS) and Regional Centre for Training in Aero-space Surveys (RECTAS).

7. The Committee elected the following officers:

Chairman: Uganda
First Vice-Chairman: Tunisia
Second Vice-Chairman: Burkina Faso
Third Vice-Chairman: The Congo
Rapporteur: South Africa

8. The Committee established an open-ended subcommittee on resolutions which was chaired by Tunisia. The following were the core members of the resolutions subcommittee:

West Africa: Mali, the Niger
North Africa: The Sudan, Morocco
East Africa: Kenya, the United Republic of Tanzania
Southern Africa: Malawi, Zambia

| | |
|---|---|
| Central Africa: | The Central African Republic and Gabon |

### B. *Agenda*

9. On 29 April 1997, the Committee adopted the following agenda:

**Conference theme: Accelerating trade and investment in Africa**

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda and organization of work.
4. Discussion on Conference theme:
    - Promoting trade and investment to accelerate Africa's development;
    - After the Uruguay Round: Global challenges and African responses in selected areas.
5. Report on the Economic and Social Situation in Africa, 1997.
6. Strengthening ECA's institutional framework for effectiveness and impact:
    (a) Proposed reform of the intergovernmental machinery of the Economic Commission for Africa: Note by the secretariat;
    (b) Rationalization of ECA-sponsored institutions: Renewal for improved service; and
    (c) The MULPOCs: Strengthening ECA's subregional presence.
7. African Information Society Initiative (AISI): A progress report.
8. Statutory issues: Issues from subsidiary organs:
    - Conference of African Ministers of Finance;
    - Africa Regional Coordinating Committee for the Integration of Women in Development;
    - Intergovernmental Committees of Experts of the MULPOCs; and
    - United Nations Regional Cartographic Conference for Africa.
9. Programme of work and priorities of the Commission:
    - Proposed programme of work and priorities for the biennium 1998-1999.
10. Any other business.
11. Adoption of the report.
12. Closure of the meeting.

### C. *Account of proceedings*

*Opening addresses*

10. In his opening statement, H.E. Mr. Mekonnen Manyazewal, Vice-Minister of Economic Development and Cooperation of the Federal Democratic Republic of Ethiopia, welcomed participants to the meeting. He said that the theme of this year's annual session, "Accelerating trade and investment in Africa", was timely. Africa was facing daunting challenges and problems which were being further compounded by rapid changes on the international scene. Despite the fact that the continent was endowed with a huge natural resource potential and accounted for one eighth of the world population, Africa's share (excluding South Africa) of world exports had fallen from 4.7 per cent in 1980 to a mere 1.9 per cent in 1992. While global direct investment flows had increased two and a half fold, Africa's share in that booming international transfer of capital resources had fallen from 2.3 per cent to just 1.4 per cent between 1980 and 1995. Obviously, that had contributed to Africa's weak overall economic growth.

11. The Vice-Minister noted that the efforts of individual countries, however, could only be successful if African countries joined forces to face the increasing challenges of globalization so that the continent would benefit from growing world trade and investment. He observed, in this regard, that the "International Conference on Reviving Private Investment in Africa:

Partnerships for Growth and Development", held in Accra in June 1996, had articulated measures to strengthen cooperation in stimulating private investments at the national and regional levels. He underscored the need for African countries to foster internal stability, peace and democracy, which would provide a conducive environment for accelerated economic growth and social progress. He emphasized the importance of an efficient information system for economic policy-making and management. The adoption, by the Conference of Ministers in 1996, of the plan of action for the African Information Society Initiative (AISI) was concrete proof of Africa's readiness to build an efficient information and communications infrastructure.

12. The Vice-Minister informed the meeting of the political and economic measures adopted by his country to promote growth and development. The ongoing democratization process in Ethiopia had created a conducive environment for development by ensuring the people's participation in all matters through devolution of power to local governments. Prominent among the measures adopted by the present government were the Economic Policy for the Transitional Period and the Agricultural Development-Led Industrialization Strategy. The first phase of the stabilization and structural adjustment programme launched in 1992 had also been successfully implemented. The second phase of adjustment which had come into effect during the 1996/97 fiscal year had been designed to build on the encouraging results achieved in the five preceding years. In conjunction with the policy reform, the government had completed the preparation of medium-term programmes for key sectors, including food, health, education and roads. So far, the economic recovery triggered by the reform introduced in 1992/93 had been sustained, with a real GDP growth of 7.4 per cent on the average per annum between 1992/93 and 1995/96.

13. The Vice-Minister invited the meeting to explore all approaches through which Africa could benefit from the present world economic order. No other institution was better placed than ECA to present to the world a compelling case for the need to keep Africa's development on the increasingly crowded international agenda and to advocate sound policies and spread best practices among African countries. For that reason, he welcomed the progress achieved in renewing ECA to pursue the objectives of excellence, cost-effectiveness and effective partnerships.

14. In his statement, Mr. K.Y. Amoako, Executive Secretary of ECA, welcomed participants and thanked TEPCOW for having done a fine job in providing guidance in the proposals for the reorientation of the Commission along new strategic directions to serve Africa better. This year he looked forward to seeking the Committee's expert and pragmatic guidance on three major reform issues, namely streamlining the Commission's intergovernmental machinery; rationalizing the 30 ECA-sponsored institutions and strengthening the Multinational Programming and Operational Centres (MULPOCs). He observed that the restructuring of the Commission's work programme called for a parallel institutional reorganization of the intergovernmental machinery and the specialized subsidiary organs. Such changes would complement the work that he had started last year and strengthen ECA's capacity to serve member States.

15. He observed that investment and trade held the key to accelerating development, ensuring rapid progress towards the elimination of abject poverty, raising average household incomes and sustaining a higher rate of economic growth for the continent. It was for those reasons that the theme of the current Conference had been chosen. He hoped that, through in-depth discussion and a sharing of experiences and best practices, TEPCOW and the Conference of Ministers would establish a common policy platform to serve as the basis for more successful efforts to attract investors and expand exports.

16. He noted with satisfaction that Africa's economic performance had improved considerably and there was a new spirit of optimism on the continent. Many countries were enjoying greater prosperity than ever before. Twenty-four had posted growth figures exceeding 4 per cent; 32 had grown faster during 1995/96 than during 1993/94; fiscal and current deficits had been sharply reduced in many, inflation had been reduced to moderate levels in several and there was increased activity in African capital markets. According to the ECA "Report on the Economic and Social Situation in Africa, 1997", preliminary figures indicated that the economic recovery underway since 1994 had continued. The principal factor underlying the strong economic performance of 1996 was the conducive policy environment created by the new economic reforms.

17. He noted, however, that in spite of the recovery and the positive changes taking place, Africa's social indicators remained below those of other regions. Poor income growth as well as environmental and population pressures kept almost half of Africa's 590 million people in

poverty. In fact, absolute numbers living in poverty were increasing. Therefore, the economic policies which were giving rise to the ongoing recovery should be fine-tuned to support a more broad-based pattern of economic growth, which would spread the fruits of increased economic activity to all sectors of the population. Poverty reduction would require an integrated approach which included investments in education (particularly for women), health, family planning and management of natural resources. A significantly higher rate of economic growth must also be maintained to sustain poverty reduction. A number of key factors deserved particular attention such as access to micro-credit, land reforms, investing in infrastructure, agricultural extension services and women. Women played a pivotal role in the African economy, yet many were entrenched in poverty and faced immense obstacles to expanding and reaping the rewards of their economic activities. ECA should do more to promote the economic and social empowerment of women.

18. He observed that the volume of savings and investment were considerably below the levels needed to attain and sustain a rate of growth that would have any appreciable or significant impact on poverty reduction. To achieve a target GDP growth rate of 8 per cent per annum, for instance, Africa needed to raise its investment by at least one third. In the meantime, Africa's traditional sources of development support were declining, while the new global motors of finance were bypassing Africa. In fact, while official development assistance was declining worldwide, record levels of private capital were flowing to developing countries. The flows to Africa were lower, as a percentage of GDP, than to all other developing regions. Only about 3 per cent of all the flows of private capital went to sub-Saharan Africa. Africa had continued to experience enormous difficulties in attracting private investment. Even the vexing problem of how to diversify the production and export base could be solved if there was a sufficient level of Foreign Direct Investment (FDI) linked to local firms through procurement and subcontracting arrangements.

19. Noting that many African countries had declared themselves open for business, introduced very generous investment codes and streamlined import tariff structures, the Executive Secretary said that these reforms and incentives had not led to significant inflows of private investment to Africa. This was the paradox that a number of African Heads of State had discussed at the ECA Conference, "Reviving Private Investment in Africa", held in Accra in June 1996. The first explanation for this paradox was the perception of Africa as a high-risk place. The second was the actual high cost of doing business. The third factor was the poor relative international competitiveness of African countries. He invited the Committee to clarify and reinforce the linkages between trade and investment policies; facilitate a sharing of experiences and best practices on trade and investment promotion; and assess the degree of success that African countries had achieved by the use of various incentives and other instruments to promote trade and investment and the extent to which those measures had been cost-effective.

20. The Executive Secretary underlined the importance of improved information exchange and more efficient communications as key to improving risk perception, lowering the costs of doing business and strengthening Africa's competitiveness. ECA attached great importance to strengthening Africa's information capacities and planned to organize a special event on information and communications technology during the current Conference of Ministers. Among the issues to be examined would be the requirements for private investment in information and communications infrastructure in African countries.

21. The Executive Secretary informed the Committee that ECA's new structures for its substantive work programme had been in place since the beginning of the year. ECA's senior management team had been revamped and high-calibre individuals recruited for their intellectual, technical and managerial excellence. Of the seven managers recruited from outside ECA, two were already on board, and the others would be at their posts by mid-May 1997. Also, the proposed biennial programme of work for 1998-1999 would place emphasis on fewer and improved reports; fewer and more productive meetings; enhanced networking with key actors in Africa's development; increased interaction with member States, including more technical support; and strategic partnerships.

22. Reviewing the three major reform issues on the agenda of the Conference, the Executive Secretary observed that a streamlined intergovernmental machinery would reduce the periodicity and cost of frequent meetings, increase the prospects of better preparation of the few meetings, avoid the problem of duplication and overlap of related sectoral issues and promote coherence in the national decision-making process for interrelated sectoral policy matters. As regards the issue of institutional reform of the ECA-sponsored

institutions, he noted that this item had been on the agenda of the Conference of Ministers for the last 15 years. Now was the time for the Commission to act on the previous recommendations recently endorsed by ECA consultative missions, and through alliances with partners, transforming a selected number of those institutions into centres of excellence, upgrading others and closing down the rest. Finally, in response to the request made last year at the Conference of Ministers for the Executive Secretary to take the necessary steps to strengthen the MULPOCs, he had undertaken extensive consultations on modalities for enhancing their effectiveness and had already taken action in a few key areas. ECA, however, was seeking further guidance on the measures aimed at further reinforcing the capacity of the MULPOCs to enhance ECA's impact at the subregional level. He proposed that these MULPOCs be redesignated Subregional Development Centres (SRDCs) to better reflect their roles.

23. The representative of Malawi, outgoing Chairman of the previous meeting of TEPCOW, thanked member States and the ECA secretariat for the support they provided to his country during the term of its tenure. He invited participants to participate fully in the deliberations of TEPCOW since this year's theme, if fruitfully discussed, would help the continent to face crucial development challenges.

Discussion on Conference theme (agenda item 4)

- Promoting trade and investment to accelerate Africa's development

24. The Committee had before it the document entitled "Promoting trade and investment to accelerate Africa's development" (E/ECA/CM.23/2). The discussion of the item was led by a panel composed of two representatives of the secretariat and the representatives of Kenya and Senegal. There was consensus that trade and investment were complementary, and that both were essential components in any credible strategies to accelerate Africa's development. It was noted that trade and investment were important vehicles for integrating Africa into the global economy and reaping benefits which accrue from this. Their expansion was an important challenge facing the African countries.

25. The Committee considered the potential sources of resources to sustain an increased level of investment. It was observed that, basically, the sources were domestic savings and foreign investment. Domestic savings had to come from households, the retained earnings of enterprises and public savings by governments. Concerning foreign investment, it was noted that this had assumed increased importance due to declining levels of official development finance. It was observed that foreign direct investment (FDI) was the preferred form of foreign investment. It had a number of advantages - it does not create external debt; it brings new technologies, new high-value products, more efficient production processes and more effective management methods; and it establishes links to important export markets. It was observed that, currently, about two-thirds of world trade was through transnational corporations (TNCs).

26. The difficulties involved in achieving high savings rates in Africa were recognized. The main problem was the low level of incomes and the high incidence of poverty. It was noted that domestic savings rates remained too low, particularly in some sub-Saharan African countries. The Committee also noted that African countries had experienced great difficulties in attracting adequate levels of foreign investment. It was observed that FDI to all African countries amounted to about US$3 billion annually, which was less than 3.5 per cent of such flows to the developing world. Raising domestic savings and attracting substantial flows of FDI were two challenges which had to be met in order to sustain a high investment rate.

27. The Committee stressed the importance of domestic savings and the role of local investors, noting that domestic resources and local investors - particularly private investors - would be expected to contribute the dominant share of domestic investment and capital formation underlying increased economic activity and accelerated development. The Committee noted that boosting domestic savings and local private investment required African Governments to maintain a stable economic policy mix geared to promoting: (a) increased commercialization of economic activities, to facilitate the generation of savings in liquid assets which are easily intermediated; (b) increased private sector profitability and rising income levels; (c) the development of efficient but prudent financial intermediaries (e.g., commercial banks, mutual funds or unit trusts, insurance companies, cooperative savings societies, and capital markets); and (d) the extension of financial intermediation services to rural households and informal sector enterprises, where the vast majority of African economic operators - and the poor - are to be found.

28. Regarding foreign investment, the Committee observed that all the policies that promote domestic savings and the growth of local enterprises also tended to enhance African countries' attraction for increased FDI flows. It was stressed that the economic and investment activities of local private investors were among the most important factors which drew foreign investors. Another important factor was a strong natural resource base. Foreign investors could be attracted to explore and participate in the development of African countries' natural resource potential. The general consensus was that a business-like outward-oriented development policy stance was essential to attract foreign investors. The Committee noted that virtually all African countries had adopted investment policies which provided generous incentives and guarantees for foreign investors.

29. To be attractive to foreign investors, countries needed to take concrete steps to continuously strengthen their international competitiveness. These steps involved the improvement of different factors which had tended to raise the cost of doing business in Africa relative to other regions of the world. The Committee recognized the need for countries to expand the capacity, improve the reliability and lower the unit costs of transport, power, telecommunications and water supplies. It also recognized the overriding importance of human development geared to creating a labour force with a strong skills base and a work ethic conducive to high productivity. The quality of the macroeconomic policy framework, including the level of taxation, price stability, low and stable interest rates and a realistic but stable exchange rate, was also an important prerequisite of international competitiveness.

30. Noting, however, that the flows of FDI to Africa remained very low, the Committee attributed this to several factors, notably the limited accurate information about Africa. Disappointment was expressed regarding the international media's coverage of Africa. It was observed that the media persisted in giving prominence to negative developments, such as wars and conflicts, poverty and environmental degradation. Positive developments, such as the political transition to better governance, commitment to sound economic policies and the growing importance of the private sector, were not adequately covered. African countries, individually or in subregional groupings, had to work harder to convince international investors of the fundamental changes that were taking place and to banish the negative image long associated with Africa. Internet connectivity was seen as a vital new tool which could be put to good use in communicating business opportunities in Africa to the rest of the world.

31. The Committee underlined the important role of regional economic integration in creating sizeable markets capable of supporting significant economies of scale and scope which could support large-scale investments. It was recalled that African countries, under the terms of the Abuja Treaty, were committed to establishing the African Economic Community; and that subregional economic communities to serve as its building blocks had already been created. The Committee called for the process of regional economic integration to be strengthened, leading to the removal of political, physical, tariff and non-tariff barriers to the flow of goods and services and the establishment of branches across national borders by enterprises operating in Africa.

32. Multilateral development finance institutions, notably the African Development Bank, the African Export-Import Bank (AFREXIM), the subregional development finance institutions and the World Bank could significantly assist partner African countries with technical analysis of projects' profitability and the attendant risk factors and their mitigation, including the use of specific risk assurance or intermediation instruments. Africa's external bilateral partners should also be called upon to provide substantial direct financial support, at concessional terms, as well as indirect support through tax incentives to their national investors participating in infrastructural development projects in Africa. Consortia involving local and foreign private investors, multilateral development finance institutions and African Governments could execute, own and operate such projects. The Committee noted, however, that the success of these novel approaches to financing development based on public-private partnership required a strong element of self-financing revenue generation to be built into the capital projects which could be relied upon to remunerate investors at an attractive rate of return.

33. Regarding the challenge of strengthening economic efficiency to boost productivity and profitability, the Committee observed that this required a large number of improvements in the way economies function, allocate and utilize scarce resources. Three areas were singled out specifically. The first was the need to establish a more clear-cut division of responsibilities between the governments and the private sector in propelling development, in which governments would concentrate on improving the provision of essential public goods which the private sector could not supply optimally. It was noted that this

division of responsibilities would require public-private partnership to be strengthened, low rates of corporate taxation to be maintained, and government spending to be geared to development priorities.

34. The second prerequisite was to maintain progress towards increased domestic competition - through deregulation of markets, the development of an adequate legal and regulatory framework, the reduction of trade barriers on imports, thus exposing domestic producers to external competition and opening all sectors of the economy to private (including foreign) investment.

35. The third prerequisite was to maintain macroeconomic stability based on prudent fiscal and monetary policies conducive to low and stable inflation and interest rates and realistic but stable real exchange rates. In this regard, the Committee observed that most African countries had embarked on programmes of economic reform, entailing liberalization of several sectors. Many countries had instituted incentive policies to attract investors. Investment promotion centres had been established, more attractive investment codes had been adopted, administrative formalities had been simplified, one-stop investment licensing and approval systems had been introduced, tax and customs burdens had been reduced, export processing zones (EPZs) had been created and manufacturing under bond facilities had been licensed. It was noted that the new policy orientation was already bearing fruit as indicated by accelerating economic growth and reduced inflation and budget deficits in a number of countries.

36. Concern was expressed, however, about some negative impacts of the economic reforms. It was noted, for example, that high interest rates in real terms had persisted, in spite of decreased budget deficits and falling inflation rates. Countries were also facing fiscal revenue losses due to import tariff cuts. In addition, the limited export response and surge in imports had resulted in pressures on the current account. The rich countries continued to place prohibitive non-tariff trade barriers in the way of African exports, particularly on agricultural products, textiles and clothing. Countries also faced increased pressure from low-priced imports which were hurting domestic producers, with adverse consequences on local industries, resulting in job losses and lowering living standards.

37. The Committee observed that financial liberalization had increased the possibility of international crime infiltrating into African financial systems. However, the Committee noted that criminal practices in financial transactions were a world-wide problem which could only be tackled through increased vigilance, international co-operation against crime, strengthened legal and regulatory framework and more effective supervisory capacity in African central banks.

38. The prevalence of high interest rates was attributed partly to persisting inflationary expectations due to some economic operators' belief that the sound economic policies adopted by African countries might not be sustainable in the longer term. The Committee observed that, to convince economic operators about policy sustainability, African countries needed to assert greater ownership over the formulation and implementation of their reform agenda.

39. The Committee observed that foreign investment flows were not all equally beneficial; for example, there was need to guard against the relocation of polluting industries to Africa. It was recommended that governments should strengthen their capacity to channel domestic and foreign investment resources to all sectors of the economy, especially to priority development areas, with a view to promoting the diversification of the production sector and exports.

40. Regarding trade, the Committee recognized the decisive role it could play in spurring growth, especially because of the fact that trade liberalization stimulates efficiency and competitiveness. Trade expansion was essential, as export earnings were an important source of external resource flows.

41. Against this background, the Committee reviewed the performance of Africa's export sector. It was noted that, on the basis of United Nations Conference of Trade and Development (UNCTAD) data for the period 1950 to 1993, African trade had chronically underperformed that of developing countries as a group as well as aggregate world trade. Consequently, Africa had lost its export market share for almost all of its most important products, and its share of world trade has fallen dramatically. The Committee observed that the declining trends of African countries' trade performance indicated that there had been marked erosion of Africa's international competitiveness. The loss of market share implied significant trade income losses, for the continent as a whole, estimated at US$11 billion annually, roughly equal to total official development assistance from the Organization for Economic Cooperation and Development (OECD) countries to Africa in 1991.

42. It was also observed that another important factor underlying the poor performance of the African exports was the continued high dependency on a limited range of primary products, with below-average growth in global demand. Many countries also depended heavily on a limited number of trading partners, which exposed them to adverse terms of trade. Additional factors contributing to Africa's poor trade performance were protectionist barriers erected by the industrialized countries; domestic policies which had constrained private sector development; inadequate infrastructure - unreliable, costly and low-capacity electricity, water supplies, telecommunication and transport facilities; bureaucratic red tape; political instability; and the low level of intra-African trade. High transport costs add, on average, a 15-20 per cent surcharge to the cost of Africa's exports, severely reducing their competitiveness in the world market.

43. Moreover, a number of African countries had been adversely affected by non-tariff barriers and subsidies introduced by OECD countries to dispose of surpluses generated behind high levels of external protection, and quotas had been imposed on a small number of African countries' exports of textiles and clothing. The growing number of OECD countries covered under regional free trade arrangements also had adversely affected the competitive position of African countries, especially in North Africa, which export similar products as OECD countries benefiting from free trade access. It was noted, however, that the pre-Uruguay Round non-tariff barrier coverage ratio on Africa's exports was significantly lower than that of the more successful exporting economies of South-East and Pacific Asia.

44 The Committee noted that under the Uruguay Round Agreement, the OECD countries had undertaken to reduce tariffs on almost all export products of interest to Africa as well as to scale down non-tariff barriers significantly. The future impact of the agreement on African exports, however, would depend on the extent to which the OECD countries implement countervailing measures (such as anti-dumping actions or safeguards) to circumvent the liberalization process.

45. On the possible impact of globalization and the post-Uruguay environment on trade patterns, within the framework of the newly created World Trade Organization (WTO), the Committee recognized that African countries faced challenges as well as opportunities. With increased competition, African countries had to build their strategies around two main principles, namely improvement of their products' competitiveness; and acceleration of regional integration.

46. The Conference observed that the opportunities included sustained expansion of global trade, reduced protectionist barriers and a consequent opening up of markets (including the eventual ending of restrictions on trade in textiles and clothing), and the establishment of a rules-based multilateral trading system in which small trading nations were accorded equal rights as the more powerful countries. African countries stood to reap significant benefits from actively participating in the WTO process, if they were collectively able to put their concerns on the table for serious consideration in the negotiation of new trade agreements under the WTO framework; access technical support for trade development; utilize the WTO dispute settlement mechanisms; and use moral suasion on the more powerful trading nations to live by their commitments under the multilateral system.

47. The Committee, however, also observed that African countries were expected to encounter significant challenges and costs from trade liberalization under terms of the Uruguay Round Agreement. These would include stiffer competition in global markets, in part due to the erosion of preferences; further loss of export market shares if measures were not put in place to improve Africa's international competitiveness; and possible higher costs for food importing countries. There were also costs of participating in WTO, including the requirement that countries adhere to trade liberalization and the demands of permanent ongoing negotiations within WTO.

48. Noting that the WTO negotiation process was a continuing one, the Committee recommended that African countries should strengthen their negotiating position in WTO fora to secure the necessary concessions for products of export of interest to them. The Committee also observed that at the Singapore Ministerial Conference, a working group had been constituted, with the mandate of investigating the link between trade and investment and recommending whether negotiations should be initiated on a multilateral agreement on trade and investment under the auspices of WTO. It was noted that, under OAU, African States had commissioned a preliminary study to serve as a basis for the adoption of a common position on this issue.

49. The Committee considered some measures that countries could take to strengthen their trade capacity. These included strengthening the

international competitiveness of African economies (including improvement of transport, telecommunications and power supplies); adopting export-oriented development strategies; modernization of the production sector; promoting greater efficiency and productivity among Africa's local producers; analyzing the start-up costs of local enterprises geared to exporting; further liberalization of trade policy; attracting foreign direct investment; and accelerating regional economic integration. It was observed that countries were already implementing some of these measures within the context of their macro-economic, trade and sectoral policy reforms.

50. The Committee acknowledged the incentives provided towards export product and market diversification, aimed at expanding non-traditional exports. It was noted that this was all the more necessary, as the majority of the traditional exports were overly dependent on unpredictable weather conditions or international markets subject to demand fluctuations. Trade diversification strategy needed to be accompanied by an extension of specialization, according to comparative advantage to the level of processing primary products to more finished stages.

51. It noted with satisfaction that several participants had been eager to share their respective countries' experiences with fellow African countries as well as with the secretariat on the issues involved in promoting trade and investment in Africa. Issues of concern included human resource development, institutional capacity-building, decentralization of government functions, support to private sector development, strengthening the legal and regulatory systems and strategic planning processes and the development of efficient and prudent financial intermediary institutions including money and capital markets tailored to the economic and social conditions that obtain in Africa.

52. The Committee, through its deliberation, achieved a consensus on the main measures needed to accelerate trade and investment in Africa, though it noted that specific key issues needed to be investigated further. In this regard, the Committee urged the ECA secretariat to undertake studies on these issues, within its work programme and in collaboration with leading African and global multilateral institutions.

- After the Uruguay Round: Global challenges and Africa's response in selected areas

53. The Committee considered document E/ECA/CM.23/8 entitled "After the Uruguay Round: Global challenges and Africa's response in selected areas". The discussion was led by Professor Thomas Hertel, Director of the Centre for Global Trade Analysis of the University of Purdue (United States of America) who was invited as a special guest of the meeting.

54. The Committee welcomed the efforts made by ECA to develop partnership with centres of excellence, such as the Global Trade Analysis Project (GTAP) at Purdue University aimed at enhancing African capacity in analyzing trade arrangements at the regional and global levels and, hence, preparing it to support negotiations among the member States within the framework of the regional economic communities and between Africa and other groupings in the world.

55. The Committee noted the GTAP findings that by the year 2005, Africa's overwhelming reliance on the European market would be eroded, as economic growth increases the demand for exports to Asia and as the benefits of preferences for African exports to that European market were eroded due to trade liberalization. The Committee also noted that Africa was the only region expected to incur significant real income losses as a result of the Uruguay Round Agreement. The largest part of these losses would arise from the fact that African governments did not take advantage of the Uruguay Round to reform their policies. In addition, the terms of trade for Africa were expected to decline as a result of the diminishing value of the Lomé preferences and displacement of African textiles and apparel exports by Asian competitors. By contrast, the countries in low-income East Asia were expected to experience strong gains from the Uruguay Round, despite a larger decline in terms of trade, due to their more substantial cuts in protection.

56. Emphasizing that the African losses were not inevitable, the Committee observed that the losses could be eliminated with reforms and actions that lie mainly in the hands of the Africans themselves. Indeed, it was found that institutional and policy reforms especially designed to reduce transport costs to the level of other developing countries, would generate enough gains to more than offset the Uruguay Round losses. Furthermore, sustained productivity growth in grains production, in line with the South

Asian experience, would generate even larger benefits.

57. The Committee recommended that ECA should assist in mobilizing resources for conducting seminars at national and subregional levels to help disseminate widely the results of the study and to introduce this framework to policy analysts interested in regional and global trade issues. Further investigations should be undertaken within the framework on the following topics: future prospects for African agricultural exports to Asia and their implications for food security and sustainable development; potential benefits from institutional and policy reforms aimed at the manufacturing sectors; further assessment of the impact of abolition of textile and apparel quotas in the year 2005, in light of the fact that several African countries have recently been subjected to restrictions on their exports to North America; and analysis of the impact of regional trade agreements on intra-African trade.

58. The Committee found the GTAP framework a powerful tool in analyzing trade arrangements and wished to see improvements in the database to enable analysis at national, subregional and regional levels. It expressed the need to be better informed about the structure of the underlying GTAP model used to analyze the impact of the Uruguay Round on Africa and welcomed the idea of holding a seminar on Friday, 2 May 1997 on the theme: "Building African capacity in regional and global trade analysis: Using the GTAP Framework". Some questions on the assumptions and the validity of the Asian Agriculture Strategy were raised. For example, a question was asked why the assumptions did not take into account the import variable in the model. Also, there was no telling whether soil and rainfall variations had been taken into account in the assumptions made about agriculture. It also appeared that the model had failed to take into account the Abuja Treaty and the subregional groupings.

59. The Committee took note of both reports.

Report on the Economic and Social Situation in Africa, 1997 (agenda item 5)

60. Under this agenda item, the Committee considered document E/ECA/CM.23/3 entitled "Report on the Economic and Social Situation in Africa, 1997". The Committee noted that Africa's economy in 1996 witnessed vigorous growth recovery, with a regional GDP growth rate averaging 4 per cent as compared to 2.7 per cent in 1995. There were many indications that the trend would continue in 1997 for which preliminary estimates set the growth rate at 4.2 per cent. This was largely based on the good performance of the agricultural and mining sectors. In the 33 African least developed countries, growth had been particularly encouraging at a rate of 4.5 per cent in 1996. Eleven countries had achieved rates equal to or exceeding the 6 per cent target set under the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) while the number of countries whose rate of growth was negative had significantly diminished from seven in 1995 to two in 1996.

61. The Committee observed that while the growth rates concealed some country and regional disparities, the overall performance reinforced the encouraging trends which began in 1994 and which were based on a combination of external and domestic factors. Externally, the growth recovery which took place in the major industrialized countries as a result of economic policy reforms, had had beneficial effects on the world economy which had, for some years, been pulled along by the newly-industrialized countries of South-East Asia. The result had been a rise in the prices of most African commodity exports and consequently a relative improvement in the terms of trade.

62. Domestically, the pursuit and intensification of structural reforms had promoted economic stability and paved the way for a significant recovery. For example, the dismantling of many impediments to production had been improved and both agricultural and industrial performance had been raised. In terms of macroeconomic management, the reduction of budget deficits and the realignment of monetary and fiscal policies had reined in inflation, brought down interest rates and improved control over exchange rate fluctuations.

63. The Committee also noted that improvements in the macroeconomic environment had benefitted from the political and social stability in an increasing number of countries. Investor confidence had increased in a number of countries leading to channelling more private investment into the productive sectors. As a result, investment levels had risen to an overall figure of 20 per cent of regional GDP.

64. The Committee noted that upward trends in the macroeconomic aggregates had yet to yield improvements in the social conditions. Poverty remained pervasive in Africa where two thirds of the population continue to live in abject poverty.

The situation was particularly alarming in those countries experiencing ethnic strife and where the outbreak of armed conflict had resulted in destruction of production structures, displacement of people and, in some cases, worsening of the problem of food insecurity.

65. While the short-term prospects were bright, the medium-term challenges facing Africa in a world economy transformed by globalization would be complex. Success in coping with the challenges would depend on consolidating growth recovery to lay the foundations for dynamic, self-reliant and self-sustaining development. In the current phase of transition and slow recovery, structural reform cannot deliver immediate solutions to all the problems with which African economies have to grapple. Consequently, the support of the international community would be of crucial importance and must vigorously address such issues as the external debt and its adverse effects on the mobilization of the additional domestic and external resources needed to build and strengthen the critical capacities that would buttress sustainable and self-sustaining development. The international community should also support the effort Africa is striving to integrate itself into the world economy by reorganizing and adapting its production structures to the exigencies of globalization.

66. The Committee underlined two main problems affecting Africa's development: peace and stability; and the high dependence of African countries on the export of raw materials. The Committee noted that while the entire region was not at war, the general impression was that of instability and lack of confidence. It was suggested that in order to attract investors into the region, African countries should collaborate on efforts aimed at peace-keeping and stability as necessary conditions for development. Noting that African countries were particularly vulnerable to external shocks, the Committee attributed this to the level of industrialization, which made Africa heavily dependent on a narrow band of primary commodities. The Committee particularly observed the vulnerability of Africa because of the reliance on agriculture and the variation of the climate.

67. The Committee noted with satisfaction the positive effects of the policy reforms being undertaken in many African countries. Those reforms had placed particular emphasis on sectoral policies to attract foreign investment. The Committee also welcomed progress being made in the field of trade liberalization policies in some economic groupings. However, it was observed that important issues such as mobilization of domestic resources to promote cross-border investment projects within the context of economic integration were often lacking. To facilitate the integration process, it was stressed that particular attention be paid to infrastructure development, such as roads, telecommunications, electricity and market liberalization policies and more private sector intervention in the economy. It was also noted that the formulation and implementation of policies conducive to industrial and agricultural development needed to be addressed with courage. In that regard, it was suggested that ECA should address the issue of sequencing of reforms.

68. The Committee expressed the view that ethnic conflicts are often confused with civil strife, civil wars and even genocide that are taking place in some countries. It underscored the need for African governments and the international community to pay due regard to the issue of conflict prevention and the restoration of appropriate conditions for economic development after conflicts.

69. Some representatives pointed out certain inaccuracies in the data provided in the report in respect of their countries. This related for example to the GDP growth rate, social indicators, energy and mining, agricultural production and the factors affecting the performance of some economic sectors. Some of the participants indicated that they would provide ECA with correct and more recent data and information on their countries.

70. The Committee was of the view that the report should be a more detailed document and that it needed to put more emphasis on the social situation in order to balance the title of the document with its contents.

71. The Committee was concerned with the fact that the report did not cover progress in the implementation of the provisions of some special programmes put in place for the benefit of African member States such as UN-NADAF and the United Nations Special Initiative for Africa. At the same time, it was stressed that the boxes in the report should highlight, as much as possible, good experiences from member States so that other countries could benefit from those examples.

72. The Committee took note of the report in the light of the above observations.

## Strengthening ECA's institutional framework for effectiveness and impact (agenda item 6)

### Proposed reform of intergovernmental machinery of the Economic Commission for Africa: Note by the secretariat [agenda item 6(a)]

73. Under this agenda item, the Committee considered document E/ECA/CM.23/4 entitled "Proposed reform of intergovernmental machinery of the Economic Commission for Africa".

74. The Committee noted that the reform nitiated since mid-1995 had encompassed three evels of institutional reforms: programmes and priority setting; organizational restructuring; and managerial reforms. Reforming the intergovernmental machinery was the fourth level of institutional reform required to complete the current phase of renewal. The intergovernmental machinery consisted of the Conference of African Ministers responsible for Economic and Social Development and Planning, the main legislative organ of the Commission; and its subsidiary organs, the sectoral ministerial conferences and technical bodies.

75. The Committee recalled that the impetus for reforming the intergovernmental machinery was derived from four main sources: the new programme orientation of ECA which called for adjusting the intergovernmental machinery; the need to enhance the effectiveness of programmes and the intergovernmental machinery; the need to rationalize the machinery to increase its impact, functionality and cost-effectiveness; and the need for increased coordination and coherence of the intergovernmental machinery with other regional organizations such as the OAU African Economic Community. Three basic principles guided the reform process. These were the principles of consolidation and simplification of ECA's intergovernmental machinery; retaining the main legislative organ of the Commission through which member States could continue to exercise policy guidance over ECA's work; and establishing subsidiary bodies through which the Commission could benefit from the advice of experts from the public and private sectors.

76. Emphasizing the need to make the intergovernmental machinery more effective, the Committee recommended the retention of the Conference of African Ministers responsible for Economic and Social Development and Planning and its Technical Preparatory Committee of the Whole (TEPCOW). The Conference would henceforth meet on a biennial basis. A follow-up committee composed of the current and outgoing bureau would meet in inter-sessional years. The Committee endorsed the retention of the Intergovernmental Committees of Experts of the MULPOCs (to be renamed Subregional Development Centres) which would meet annually; the retention of the Conference of African Ministers of Finance; and the creation of seven subsidiary bodies, namely the Committees on: Women and Development; Development Information; Sustainable Development; Human Development and Civil Society; Industry and the Private Sector Development; Natural Resources and Science and Technology; and Regional Cooperation and Integration. In order to promote coherence and coordination with other major regional organizations, particularly the OAU intergovernmental machinery, the Committee also recommended the abolition of six standing conferences. These were the Conferences of African Ministers responsible for: Human Development; Sustainable Development and Environment; Trade and Regional Cooperation and Integration; Development and Utilization of Mineral Resources and Energy; Transport and Communications; and Industry. The last two conferences are to be abolished at the end of the second United Nations Transport and Communications Decade in Africa (UNTACDA II) and the United Nations second Industrial Development Decade for Africa (IDDA II) in 1999 and 2001 respectively.

77. The Committee noted that the proposed Committee on Natural Resources and Science and Technology were relevant and complementary, given that the application of science and technology would increase the production and use of the natural resources which, in Africa, were currently underexploited. The Committee noted further that not only would the issues of sustainable and human development continue to be considered as priorities to ECA and the Conference of Ministers, but they will feature as priorities in each meeting of the Conference of Ministers.

78. The Committee stressed the need for the secretariat to ensure the follow-up and implementation of the plans of actions adopted at various conferences such as the African Alternative Framework to Structural Adjustment Programmes (AAF-SAP), the Khartoum Declaration, the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) and recently the United Nations Special Initiative on Africa. It was clarified that those frameworks and programmes drive and inspire the Commission's work programme and activities. The Executive Secretary undertook to provide updated information on the United Nations Special Initiative on

Africa to the embassies accredited to Ethiopia within two weeks.

79. The Committee observed that the new intergovernmental machinery would continue to enable the Commission to provide a broad view of the African economy. At the same time, the Committee welcomed the option of convening special ministerial conferences on any issue as and when circumstances warranted it.

80. Noting that the new intergovernmental machinery would contribute significantly to reducing duplication of meetings between ECA and the Economic and Social Commission of OAU, the Committee stressed that some overlap would be unavoidable and necessary. This called for closer coordination between OAU and ECA to defend Africa's interest in international economic negotiations. Some concern was, however, raised whether the proposed biennialization of the meeting of the Conference of Ministers might not adversely affect Africa's interest in ECOSOC and the United Nations General Assembly, which meet annually. It was clarified that member States would have ample opportunity to continue using the ECA machinery to articulate common positions through the use of the proposed follow-up Ministerial Committee of the Conference.

81. The Executive Secretary informed the Committee that institutional reforms were a process and not an event. The reforms initiated at ECA were extensively discussed during last year's meeting of the Conference of Ministers and had been endorsed by African Governments following a lengthy process of consultations with experts, Ambassadors in Addis Ababa and member States. He noted that the proposed reform of the intergovernmental machinery was consistent with and drew its inspiration from the new strategic directions adopted by the Conference last year.

82. The Committee noted that the reform of the intergovernmental machinery, just like any aspect of the reform, should have clear objectives. A major objective of the reforms under way at ECA was to serve Africa better. For the current reforms to produce the desired positive results, they must fulfil certain conditions. For example, the reforms should lead to better preparation for meetings; early despatch of conference documents; improved methods of work at ECA; increased transparency and consultations between ECA and African Embassies in Addis Ababa and fairness and geographic equity in the selection of experts. The Committee indicated that these were pertinent benchmarks to assess the reforms at ECA.

83. The Committee noted that the reduction in the number of meetings was not enough. It was important to establish effective mechanisms for follow-up to the decisions of meetings. It was emphasized that the implementation of resolutions called for collaborative effort between the member States and the secretariat. The reform and renewal of the Commission would strengthen the capacity of the secretariat to implement aspects of the relevant resolutions that fell within its responsibilities.

84. The Committee underscored the need to ensure that decisions and resolutions taken by the Conference of Ministers be effectively brought to the attention of the United Nations policy making organs such as ECOSOC and the General Assembly for the benefit of member States. In that regard, the Committee suggested that African Embassies in Addis Ababa should transmit the outcomes of conference and meeting deliberations and reports to their representatives at New York as well as to their ministries of foreign affairs to inform them of Africa's concerns. Furthermore, it was suggested that the Chairman of the Conference of Ministers accompany the Executive Secretary to the meetings of the General Assembly for effective representation of Africa's interests at the world body.

85. The Committee took note of the report and adopted draft resolution 1(XVIII).

### Rationalization of ECA-sponsored institutions: Renewal for improved service [agenda item 6(b)]

86. Under this agenda item, the Committee considered document E/ECA/CM.23/5 entitled "Rationalization of ECA-sponsored institutions: Renewal for improved service".

87. The Committee noted that the outcome of the recent consultative missions fielded by ECA to the host countries and the institutions has reaffirmed previous conclusions and recommendations on the long-standing issue of rationalization of the ECA-sponsored institutions.

88. The Committee endorsed the report and the recommendations submitted:

(a) Cartography, mapping and remote sensing group: Merge the Regional Centre for Training in Aero-space Surveys (RECTAS) and the Regional Remote Sensing Centre (CRTO), while maintaining the African Organization for Cartography and Remote Sensing (AOCRS), the African Centre of Meteorological Applications for

Development (ACMAD) and the Regional Centre for Services in Surveying, Mapping and Remote Sensing (RCSSMRS) as separate organizations;

(b) Engineering and industrial technology group: Either close down the African Institute for Higher Technical Training and Research (AIHTTR) and the African Regional Centre for Solar Energy (ARCSE) and group the African Regional Centre for Technology (ARCT), the African Regional Centre for Engineering, Design and Manufacturing (ARCEDEM), the African Regional Organization for Standardization (ARSO) and the African Intellectual Property Organization (ARIPO) under a common institutional and policy framework, but maintain independent identities; or close down AIHTTR and ARCSE, keep ARSO and ARIPO separate, and merge ARCT and ARCEDEM;

(c) Economic and social development group: Merge the African Institute for Economic Development and Planning (IDEP) and the African Centre for Applied Research and Training in Social Development (ACARTSOD); convert the Eastern and Southern African Management Institute (ESAMI) into a regional institute; maintain the Regional Institute for Population Studies (RIPS) and the Institute de formation et de recherche démographiques (IFORD) under their current affiliations with the host universities, but keep their regional character; and maintain the United Nations African Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI);

(d) Finance and trade group: the Central African Clearing House (CACH) remains as a specialized agency of the Economic Community of Central African States (ECCAS); the Association of African Trade Promotion Organizations (AATPO) should be maintained with refocused objectives and in close collaboration with the African Export-Import Bank (AFREXIM); and the future of the Association of African Tax Administrators (AATA) should be further clarified by the member States during the Conference of Ministers; and

(e) Minerals and transport group: the Central African Mineral Resources Development Centre (CAMRDC) to be closed down and a new leaner structure set up within the ECA Multinational Programming and Operational Centre (MULPOC), to be supported by the member States; the Eastern and Southern African Mineral Resources Development Centre (ESAMRDC) may become a specialized agency of the Southern Africa Development Community (SADC) or the Common Market for Eastern and Southern Africa (COMESA); retain the three port management associations.

89. The Committee further noted that the latest review marked the fifth time that the Commission was considering the issue of rationalization of the institutions. It felt that there was now a solid basis for concrete action by member States in that regard. Indeed, some member States had demonstrated particular interest in the regional or subregional nature of institutions such as IFORD by paying their assessed contributions in full, well in advance over a period of several years. It accordingly endorsed the proposal that the recommendations and the related documentation should be brought to the attention of the relevant governing bodies of the institutions for decision.

90. The Committee also endorsed the proposal for ECA to redefine its relationship with the institutions. In that regard, ECA would identify those institutions with which it would develop close partnership programmes in order to develop resources and exploit synergies. These institutions would be selected on the basis of the relevance of their programmes to the priority development needs of the region; functionality in terms of demonstrated or potential operational capacity; and continued support by member States. For these institutions, ECA would seek alliances with its cooperating partners in order to supplement member States' efforts to transform them into regional centres of excellence. The Executive Secretary might continue to serve as chairman of the governing or executing boards of these particular institutions if he were currently performing that function.

91. The Committee urged that for other institutions that member States might decide to maintain because of their relevance to the needs of member States, ECA would continue to provide technical assistance in its areas of competence and within the limits of its resources.

92. The Committee noted that for the institutions that would be maintained, it was of crucial importance that member States provide them with full support by honouring their assessed contributions, and not leaving the burden of support solely on host countries, as had been the experience in some cases. Prompt and regular payment of member States' contributions to the institutions would provide encouragement for donors and other development partners to support the institutions.

93. It was clarified that facilities at ESAMI had recently been upgraded through a European

Union-financed rehabilitation programme which would reinforce ESAMI's capacity to cope with a broader regional outreach. The Committee noted that the possible regionalization of the institutions could be perceived in terms of students' intake and accessibility of ESAMI at the continental level and not necessarily have any financial implications for member States other than the recovery of costs for services rendered.

94. The Committee noted that the headquarters of institutions, in particular those that were to be consolidated and located in one place, should be the subject of further consultations among the member States concerned on the basis of objective criteria, taking into account the need for equitable geographical distribution. However, the Committee took note of statements made by the representatives of Kenya, Nigeria and Senegal reaffirming their countries' interest in playing host to the consolidated institutions which involved those they were currently hosting. The representative of ACARTSOD said that the Libyan Arab Jamahiriya would also be willing to host the consolidated institution which involves those they were currently hosting.

95. The Committee took note of proposed amendments to some areas of the report regarding the existing capacities and facilities in some of the institutions. For example, the representative of Nigeria stated that RECTAS had modern and adequate facilities and that its geographical location allowed easy access to the institution and communication with the Centre has been improved by the provision of an electronic (e-mail) communication facility. The representative of ACARTSOD mentioned that the reduction of the number of staff had primarily resulted from a transitional programme of restructuring which included retrenchment of certain categories of staff. She also mentioned that the facilities available at ACARTSOD had been fully operational in the beginning until the Centre began to face operational difficulties, mainly due to lack of support from member States. The representative also mentioned that although the services that ACARTSOD was supposed to provide were relevant to the needs of the member States, its functionality had been greatly affected by resource constraints. For this reason, it was important to make a clear distinction between mandate and functionality. The representative of ARCT also briefed the meeting on recent measures taken to strengthen the institution.

96. The Executive Secretary undertook to carry out the following activities: (a) send the report to the governing councils for study and for necessary steps for implementation; and (b) draw specific guidelines for the implementation of the proposed rationalization.

97. The Committee recommended the report for adoption by the Conference of Ministers. It adopted draft resolution 2(XVIII).

### The MULPOCs: Strengthening of ECA's subregional presence [agenda item (6c)]

98. Under this agenda item, the Committee considered document E/ECA/CM.23/6 entitled "The MULPOCs: Strengthening of ECA's subregional presence", which had been prepared pursuant to Commission resolution 810 (XXXI) adopted in 1996. That resolution requested the Executive Secretary to take necessary steps to strengthen the MULPOCs by putting at their disposal sufficient and competent staff as well as the necessary financial resources, to ensure that the Centres play their role more efficiently as centres of excellence for the exchange of experiences and information and provision of support for the implementation of regional economic integration.

99. The Committee endorsed the various actions undertaken by the Executive Secretary in pursuit of the desired reforms and commended him for the promptness with which he had carried out the tasks assigned. The Committee took note of the new mandates proposed for the MULPOCs. The Committee also endorsed the proposed change of name for the centres from Multinational Programming and Operational Centres (MULPOCs) to Subregional Development Centres (SRDCs). The Committee observed that the redesignation better reflected the new role of the SRDCs. Nevertheless, the Committee pointed out that changing names was no guarantee of performance and efficiency, if the necessary resources were not provided for the SRDCs to play their crucial role as effective links between ECA, member States, the subregional economic communities, the ECA-sponsored institutions and other centres of excellence within the subregions. SRDCs should participate in the meetings of the specialized technical commissions of the subregional economic communities as a means of aligning their work programmes and eliminating overlap a duplication of programmes.

100. The Committee underlined the importance and urgency of providing SRDCs with enough resources to boost their operational capabilities and thereby enable them to perform as credible partners and primary actors capable of reflecting national priorities and realities in their work programmes and operational activities.

101. The Committee noted with satisfaction the creation of two SRDCs for Eastern Africa and Southern Africa as well as the new geographical coverage of the subregional centres. The Committee welcomed the fact that consultations would be undertaken with interested countries in order to determine the location of the headquarters of an SRDC for East Africa.[1] The representative of Kenya stated that his country did not subscribe to the proposal to split the Lusaka SRDC.

102. The representative of Rwanda regretted the fact that his country which hosts an SRDC was not among countries visited by the consultative missions. He further confirmed the readiness of his government to continue hosting the SRDC in his country and to provide the necessary infrastructure to accommodate its headquarters in Kigali. The Executive Secretary explained that it was a serious omission for Rwanda not to have been included among the countries visited by the consultative missions and expressed his sincere apologies for the omission. The representative of Angola observed that no Portuguese-speaking country had been visited by the missions. He also pointed out that Portuguese-speaking countries had great difficulty making meaningful use of ECA publications since, Portuguese not being a working language of the Commission, these publications were not in Portuguese. He urged that this problem be given due attention.

103. The Committee endorsed the proposal to maintain the Intergovernmental Committees of Experts as the policy organs for SRDCs. It recommended that these Committees should meet on an annual basis.

104. Since the SRDCs were to serve as fora for concerted action and thinking in the search for solutions to the economic and social development problems of each subregion, the Committee felt that it was important for the contents of their work programmes to particularly reflect the specific needs of each subregion. For the North African SRDC, the specific priorities to be taken into account related to youth, the environment and urbanization, drought, desertification, pollution, water resources, external indebtedness, food security and subregional integration.

105. For the work programmes to be implemented efficiently, the Committee requested that staff redeployment to the SRDCs should take into account the requisite professional skills, a deep knowledge of and familiarity with the political, economic, social and cultural problems of each subregion's commitment to economic integration and the need for a strategic medium-term plan to revitalize the SRDCs.

106. The Committee further stressed the need to strengthen cooperation between the SRDCs and the subregional economic communities, whose work in promoting subregional economic integration should be complemented by the SRDCs. Some participants wondered why Mauritania - which is currently a member of the Economic Community of West African States (ECOWAS) - was assigned to the North African SRDC.

107. The Committee took due note of the proposed reformulation in paragraph 34 and of the United Nations Food and Agriculture Organization observer's proposed amendment to paragraph 17 of the report on the MULPOCs: Strengthening of ECA's subregional presence. The SRDCs should play a leading role in facilitating the integration activities of the United Nations agencies operating within the subregions; promote synergies among them; and coordinate the implementation of the subregional level of the United Nations global programmes such as UN-NADAF and the United Nations System-wide Special Initiative on Africa in which ECA has a lead role.

108. The Committee noted the efforts made by the Executive Secretary to strengthen the SRDCs within the context of a 10 per cent reduction in ECA's regular budget and the United Nations Development Programme's withdrawal of the funding it previously provided for the SRDCs. It noted with interest that in spite of the severe budgetary constraints, the Executive Secretary had redeployed 25 per cent of ECA's professional staff to the SRDCs. If account were taken of funds allocated for the implementation of identified and programmed activities, the financial outlay to the SRDCs would be in the order of 33 per cent.

109. The Committee endorsed the appeal to member States to demonstrate further generosity towards the SRDCs by providing them with more facilities and seconding their national experts since ECA did not have enough experts to cover all the areas of activity.

110. The Committee took note of the report in light of the comments made and adopted draft resolution 3(XVIII).

African Information Society Initiative (AISI) (agenda item 7)

111. The Committee considered document E/ECA/CM.23/7 entitled "Report on the implementation of the African Information Society Initiative (AISI)". The Committee noted the progress made in implementing this Initiative since its adoption by the Conference of Ministers in May 1996. This had included the creation of an African Technical Advisory Committee to oversee the implementation of AISI and the incorporation of AISI into the ECA work programme.

112. The Committee stressed the fundamental importance of the Initiative, especially in regard to accessing information for development by the African countries and linking Africa to the rest of the world. The Committee noted that a society with access to information was an informed society and this was important for strengthening the development process.

113. Referring to the implementation of AISI, the Committee recommended that ECA should set up a clear strategy and implementation plan with deadlines. The Committee further recommended that the activities to be implemented under the Initiative should be related to the needs of member States at national level and that a study needed to be undertaken to determine the type of activities to be implemented on a priority basis. The Committee further observed that the implementation of activities of AISI should not be over ambitious. It should be tailored to fit financial and human resources available. There should also be a timetable to ensure implementation. There should be enhanced consultations and coordination of AISI activities with other agencies and African member States, in order to avoid conflict of interests. It was emphasized that clear criteria should be established for assessing progress in the implementation of activities under AISI.

114. The Committee underscored the importance of geographical information systems (GIS) and recommended that it be given due attention like other information systems being developed and strengthened under AISI. Emphasis should also be placed on the strengthening of data communications systems in Africa. The Committee further recommended that the policy meetings being organized in the context of the implementation of AISI should cover all African countries.

115. The Committee noted with appreciation the contribution of the Government of the Niger in the strengthening of the West African Development Information System (WADIS) and urged the member States of the subregion to support WADIS so that it could promote the activities being implemented under AISI within the subregion.

116. A number of member States shared their experiences in developing information systems in the implementation of AISI. It was further noted that in the implementation of AISI according to the agreed plan and road map, the Executive Secretary of ECA is requested to utilize the capacities and experiences of national centres of excellence as executing agencies for AISI projects.

117. The Committee took note of the report.

Statutory issues: Issues from subsidiary organs and sectoral bodies calling for action by the Conference of Ministers (agenda item 8)

118. Under this agenda item the Committee was informed of the conclusions of the meetings of the following four subsidiary organs held since the last session of the Commission: (a) Africa Regional Coordinating Committee for the Integration of Women in Development (ARCC); (b) the Conference of African Ministers of Finance; (c) the Intergovernmental Committees of Experts of the MULPOCs; and (d) the United Nations Regional Cartographic Conference for Africa.

119. The Committee noted with satisfaction the report on the eighteenth meeting of ARCC held in Addis Ababa from 24 to 26 April 1997, and strongly endorsed the ARCC recommendations regarding its enhanced role in advocacy and policy guidance; periodic review of implementation strategies; establishment of priorities; coordination of subregional programmes; exchange of information; and active participation in the international fora. It also supported the recommendation requesting ECA and ARCC to see to the effective and full implementation of the Kigali Plan of Action on Peace, Gender and Development. The Committee also endorsed the resolution on the establishment of an African women committee on peace which was seen as important, especially in the light of the prevailing conditions in various parts of the region. It was also underscored that the proposed committee on peace should be a complementary organ to ARCC and should meet as frequently as necessary. The Committee noted with satisfaction the appointment of the new Chief of the African Centre for Women and congratulated her on her appointment.

120. The Committee noted with appreciation the briefing on the sixth session of the Conference of African Ministers of Finance held in Addis Ababa in April 1997. The Committee took note of the results of the deliberations of the Conference on the issues of financial sector reforms, external debt and the Highly Indebted Poor Countries (HIPCs) Initiative, capital markets and regional integration of financial markets. The Committee called for special attention to be given to the peculiar needs of the countries in conflict or post-conflict situations. The Committee noted with satisfaction that the United Nations Special Initiative on Africa provided a framework for focusing assistance to these countries. It was informed that on its part, ECA had established an in-house task force to assist the Commission to address the special needs of these countries.

121. The Committee took note of the recently concluded meetings of the Intergovernmental Committees of Experts of the five MULPOCs during March/April 1997. The Committee endorsed the strong support expressed at those recent meetings for the enhanced role of the SRDCs. The Committee observed that the SRDCs could play a vital role in the development of priority areas, inter alia, including: subregional cooperation and integration; intraregional economic community trade; youth and gender issues; environment and drought; urban and city planning; food security; financial institutions and debt; and compilation and exchange of development information, through collaboration and co-operation with other regional economic communities and developmental partners. The Committee also expressed the need for periodic evaluation of these institutions.

122. The Committee noted the recommendations of the ninth United Nations Regional Cartographic Conference for Africa held in Addis Ababa in November 1996, which included the establishment by member States of spatially related information systems; capacity-building through regional centres; the establishment of gender sensitive national committees; development of the private sector; and ECA to maintain relevant databases on geographic information systems and its related topics. The Committee noted with satisfaction that the ECA Cartographic Unit had been integrated in the Development Information Services Division and observed that this would enable easy exchange, sharing and integration of information between geo-spatial and other socio-economic sectors. The Committee supported the recommendations of the Cartographic Conference and expressed hope that other sectors of the regional economy would be able to take full advantage of technological innovations in the world.

123. The Committee adopted draft resolution 4(XVIII).

Programme of work and priorities of the Commission - Proposed programme of work and priorities for the biennium 1998-1999 (agenda item 9)

124. The Committee considered document E/ECA/CM.23/10 entitled "Proposed programme of work and priorities for the biennium 1998-1999".

125. It noted that the proposed programme of work translated the strategic directions and the Medium-term Plan for the period 1998-2001 adopted by the Conference of Ministers at its previous meeting, into concrete activities. It further noted that the programme completed the transition from the old programme structure and from the previous nine subprogrammes to the five subprogrammes of the new Medium-term Plan. That transition was embodied in the 1997 work programme revised as mandated by the Conference in Commission resolution 809 (XXXI) of 8 May 1996 and as contained in document E/ECA/CM.23/CRP.1 entitled "Revised programme of work for 1997".

126. The Committee also took note of the characteristics which made the proposed programme significantly different from previous programmes of the Commission. These included a much sharper focus of the programme span and activities which would allow for a more effective control, monitoring and evaluation of programmes implementation for enhanced impact. There was a significant reduction in the number of meetings, reports, seminars and workshops which would permit the concentration of resources leading to a more in-depth treatment of issues and more impactful outputs. An increased number of training seminars, workshops and symposia would be held at the subregional level to promote closer interaction with member States, address local needs and spread best practices. It was noted that attention would be paid to improved standards in the packaging of publications; an enhanced media and communication strategy; and a greater use of information technology to facilitate administrative processes. The Commission was also seeking effective partnerships to building synergies in the delivery of the work programme.

127. One participant noted that the required consultations with members of the Bureau of the Commission for the revision of the 1997 work

programme had taken place as mandated by the Conference of Ministers but regretted the fact that those consultations were held with the members separately. It was emphasized that, in future, such consultations should be held collectively.

128. Some participants observed that the programme document for 1998-1999 was a valuable contribution but regretted the fact that it was not available in good time to enable its in-depth review by member States. It was observed that the programme should have given more attention to practical operational projects in the field. It was explained that the inclusion of operational projects in the work programme was dependent on the level of expected extrabudgetary resources that the Commission would mobilize during the period of the programme. The Commission was making a major effort to reverse the recent decline in such resources.

129. It was observed that the proposed activities on the issue of poverty in subprogramme 1: Facilitating economic and social policy analysis, were biased towards the analysis of the characteristics and causes of poverty. The policies and measures to be adopted to fight poverty needed also to be covered. Reference was made to the proposal on water utilization and to foster the establishment of a dispute settlement mechanism on transboundary basins. In that regard, it was stressed that these issues do not fall within the mandate of the Commission and are dealt within other context. The Commission should concentrate on the provision of technical support to enhance cooperation in a manner that serves the interests of all member States. It was also observed that under subprogramme 5: Promoting regional cooperation and integration, some work could have been proposed in respect of the development of major African transport corridors. The trans-Saharan corridor was one such corridor that called for urgent attention. Similarly, under the same programme, emphasis should have been given to the exploitation of some of Africa's other mineral resources. Attention was drawn in this regard to the importance of phosphates in North Africa.

130. It was pointed out that there were a number of other emergent issues calling for the attention of the secretariat but which were not included in the proposed work programme. These included the implications for Africa of the European Monetary Union; the ongoing negotiations for association arrangement between some North African countries and the European Union; and unemployment.

131. The emphasis given to gender in the proposed programme was welcomed. The secretariat was, in this regard, urged to develop indicators and benchmarks to facilitate the monitoring of the advancement of women.

132. One participant noted that the Economic Community of the Great Lakes Countries (CEPGL) and the Kagera Basin Organization (KBO) did not feature in the proposed programme and requested that they be included among organizations with which ECA would collaborate in appropriate areas in the document. Another participant also pointed out that under subprogramme 5 of the French text of the document, Morocco had been omitted in the list of countries that were members of the North African SRDC.

133. The secretariat expressed appreciation for all the comments and observations. It pointed out that the programme had been established on the basis of severe budgetary constraints. There had, therefore, been the need to be very selective in the coverage of issues to be addressed. It, however, undertook to take into account the observations that had been made in the course of the implementation of the work programme.

134. The Committee took note of the proposed programme of work for the biennium 1998-1999, as well as the revised programme for 1997, and adopted draft resolution 5(XVIII).

Any other business (agenda item 10)

135. No issue was raised under this agenda item.

Adoption of the report (agenda item 11)

136. On 2 May 1997, the Committee adopted the present report and the draft resolutions annexed to this report for consideration by the Conference of Ministers. The Committee considered a draft Declaration on Accelerating Trade and Investment in Africa and requested the subcommittee on resolutions to further review it, and submit it to the Conference of Ministers.

Closure of the meeting (agenda item 12)

137. In his closing remarks, the Executive Secretary expressed his deep appreciation and gratitude to all the participants to the eighteenth meeting of TEPCOW for their strong support. He congratulated the Bureau, in particular the Chairperson, for the able manner in which she conducted the meetings. He also expressed appreciation to the ECA staff for their hard work.

138. The Chairperson expressed appreciation to all the participants for their cooperation.

139. She then declared the meeting closed.

1. Rwanda entered a reservation on the second sentence of this paragraph.

## Annex II

# MEETINGS OF SUBSIDIARY BODIES HELD DURING THE PERIOD UNDER REVIEW (9 MAY 1996 - 8 MAY 1997)

| Body | Meeting | Document symbol |
|---|---|---|
| United Nations Regional Cartographic Conference for Africa | Ninth meeting<br>11-15 November 1996<br>Addis Ababa | ECA/NRD/CART.9/9 |
| Conference of African Ministers of Finance | Sixth meeting<br>31 March - 2 April 1997<br>Addis Ababa, Ethiopia | E/ECA/ESPD/CMF.6/5 |
| Intergovernmental Committee of Experts of the Lusaka-based MULPOC | Fourth meeting<br>24-27 March 1997<br>Pretoria, South Africa | E/ECA/MULPOC/LUS/ICE/IV/23/Rev.1 |
| Intergovernmental Committee of Experts of the Niamey-based MULPOC | Fifteenth meeting<br>24-28 March 1997<br>Lome, Togo | CEA/MIE/NIA/XV/97/22/Rev.1 |
| Intergovernmental Committee of Experts of the Yaounde-based MULPOC | Fifteenth meeting<br>25-27 March 1997<br>Brazzaville, Congo | CEA/MULPOC/YAO/CE/XV/RAP |
| Intergovernmental Committee of Experts of the Tangier-based MULPOC | Thirteenth meeting<br>1-4 April 1997<br>Tangier, Morocco | CEA/TNG/MULPOC/CIE/XIII/12 |
| Intergovernmental Committee of Experts of the Gisenyi-based MULPOC | Fourth meeting<br>22-25 April 1997<br>Addis Ababa | ECA/GSY/MUL/ICE/IV/19 |
| Africa Regional Coordinating Committee for the Integration of Women in Development | Eighteenth meeting<br>24-26 April 1997<br>Addis Ababa | E/ECA/ACW/ARCC.XVIII/97/L |
| Technical Preparatory Committee of the Whole (TEPCOW) | Eighteenth meeting<br>29 April - 2 May 1997<br>Addis Ababa | E/ECA/CM.23/11 |

Annex III

## LIST OF DOCUMENTS

| Symbol | Title |
|---|---|
| E/ECA/TPCW.18/1 | Provisional agenda |
| E/ECA/TPCW.18/1/Add.1 | Annotated provisional agenda |
| E/ECA/CM.23/1 | Provisional agenda |
| E/ECA/CM.23/1/Add.1 | Annotated provisional agenda |
| E/ECA/CM.23/2 + Executive Summary | Promoting trade and investment to accelerate Africa's development |
| E/ECA/CM.23/3 | Report on the economic and social situation in Africa, 1997 |
| E/ECA/CM.23/4 | Proposed reform of the intergovernmental machinery of the Economic Commission for Africa |
| E/ECA/CM.23/5/Rev.1 | Rationalization of ECA-sponsored institutions: Renewal for improved service |
| E/ECA/CM.23/6 | The MULPOCs: Strengthening of ECA's subregional presence |
| E/ECA/CM.23/7 | Report on the implementation of the African Information Society Initiative (AISI) |
| E/ECA/CM.23/8 + Executive Summary | After the Uruguay Round: Global challenges and Africa's response in selected areas |
| E/ECA/CM.23/10 | Proposed programme of work and priorities for the biennium 1998-1999 |
| E/ECA/CM.23/CRP.1 | Revised programme of work for 1997 |